

A STUDY ON PRODUCT POSITIONING BY USING STP MODEL WITH REFERENCE TO GR ENGINEERING.

***SHALINI I**

****Dr.R.SANKARGANESH**

*****Dr.P.VANITHA**

*Student, Department of management studies, M.Kumaraswamy College of Engineering, Karur.

**Head of the Department, Department of management studies, M.Kumaraswamy College of Engineering, Karur.

***Assistant Professor, Department of management studies, M.Kumaraswamy College of Engineering, Karur.

ABSTRACT:

The main aim of the study is to determine the Product positioning by using STP model. Segmentation, targeting and positioning are tools of marketing used in gaining competitive advantage by a firm in the market. Businesses may not be in a position to satisfy all of their customers, every time. It may prove difficult to meet the exact requirements of each individual customer. People do not have identical preferences, so rarely does one product completely satisfy everyone. Many companies may usually adopt a strategy that is known as target marketing. This strategy involves dividing the market into segments and developing products or services to these segments. A target marketing strategy is focused on the customers' needs and wants. This study established that market positioning strategies can help the company to build their image and can help them to create proper appeals in the minds of the target market. Analysis done by using SPSS software.

KEYWORDS: Segmentation, Targeting, Positioning.

1.1 INTRODUCTION OF MARKET POSITIONING USING STP MODEL

Segmentation, targeting and positioning are tools of marketing used in gaining competitive advantage by a firm in the market. STP can be viewed as main disciplines in strategy of marketing; faults in these areas result in failure and tend to be costly; doing it right leads to success. Many companies face the decision on how to effectively handle the state of markets becoming interdependent and competitive while consumers become choosier. Thus, segmentation, targeting and positioning (STP) is a critical basis for each marketing strategy of product. A firm is able to formulate an effective tactical marketing strategy (marketing mix) with a factual STP. The STP approach proposes that the mass market comprises of certain number of groups that are relatively homogenous, each with different desires and needs. Marketers of STP try to pinpoint those segments in the market, direct activities of marketing at the segments, which the marketers are certain that their business can gratify better than their opponents can, and site can well their merchandise offering in order to appeal to the segments targeted. Unlike the generic marketing strategies, which revolve around the product, the STP model is more about the consumers. The model comes to use when forming marketing communication

strategies because it aids marketers in prioritizing propositions, developing and delivering relevant and personalized messages to involve with diverse audiences. Target marketing involves the identification of the most profitable market segments. Therefore, businesses may decide to focus on just one or a few segments. They may develop products or services to satisfy each selected segment. The target marketing strategy differs from mass marketing (where a company may decide to produce and distribute one product to all consumers) or from product differentiation (where a company offers a variety of products to a large market). Marketers have been moving away from mass marketing endeavours, as they are increasingly targeting smaller segments with customised marketing programmes. In this study on the process of market segmentation Targeting and Positioning. It clarifies how businesses could select the most attractive segments as they employ market coverage and positioning strategies to attract them.

1.2 INDUSTRY PROFILE

1. Description

The history of the Albanian textile and garment industry lies in an almost 40 year's period of state owned enterprises, which operated under the centralized socialist economy. The previous industry production was derived through a large domestic value added chain that used to produce from fiber until final product. Industry mainly supplied the domestic market, while exports were managed by a single government agency. After 1990, most of the enterprises went through a privatization process. A significant part of these enterprises didn't change their destination, they kept producing textiles and garments but their activity was now concentrated on production under outward processing regime of clothes which comprise the majority of the Albania's exports.

The industry inputs are mainly supplied by imports, using the cheap labor advantage. The garment firms have no special technological processes, no marketing strategies and poor vertical integration, consequently leaving abroad most of the value added in this sector. This industry plays an important role in the country's economy as shown.

Exports and imports are interconnected as a result of re-exportation. Imports mainly consist of semi-final products, which are re-exported after a few assembling operations. Garment export and import levels have been characterized by an increasing trend. Export growth rate for 2003 was 25% towards 2002 and with an absolute value of US\$ thousand 155,219. While imports reached US\$ thousand 203,043 in 2003. Main trade partners are Italy, Greece and Germany.

1.3 COMPANY PROFILE

GR engineering in Coimbatore Tamilnadu, India. It was established in 2010 we are the well-known manufacturers, service providers, and suppliers of a wide range of GSM cutter and band knife cutting machines. our company is run by integrity and customer approach in the way of achieving great success. GRE committed to meeting customers' expectations by providing the highest quality in terms of reliability on-time delivery and customer satisfaction.

GRE provides innovative and quality products based on customer needs, for example, single wheel, four-wheel cutter and etc., Well co-ordinated supply and logistics system enable us to deliver products in a safe and secured way to the customer's place. we shall be the highly preferred manufacturer and supplier in GSM products with assured global standards.

We GRE GSM Cutters provides the best products and services for targeting the textile industry. We provide well-designed textile machinery products and equipment to make your fabrics more fashionable. Our products make you feel wide worthy to think our brand for a long period.

Our product band knife is ready to cut your fabric and our GSM cutter brings the texture of your required design. A good design alone can make a fine art of fabric more fashionable to inspire others. That standard quality of the designs can be made only by using our best textile machinery. When days cross our product answers, why choose GSM Cutters.

A manufacturer supervises workers who make products that contain fibers, such as clothing, tires, yarn, and insulation. Whatever the industry, the task of a textiles manufacturer is the same. To oversee the conversion of a raw product (either natural or man-made fibers) into usable goods. Several new inventions greatly increased productivity in the textile industry.

They included the spinning jenny, the spinning mule, the cotton gin, and the power loom. Steam power was also very important. It sped up the production of textiles. We provide well-designed textile machinery products and equipment to make your fabrics more fashionable.

1.4 OBJECTIVES OF THE STUDY

- To identify the effectiveness of STP model in product positioning.
- To study the various strategies of market segmentation.

- To identify the various methods of targeting.
- To identify the product positioning method.

1.5 NEED OF THE STUDY

To understand the role of STP Model in Product Positioning. 1.7 LIMITATIONS OF THE STUDY

- The limitation inherent in the use of questionnaire in terms of objectivity, truthfulness honesty and sincerity from respondents are acknowledge therefore the tendency for a degree of error to occur in the finding or evaluation of data.
- The inability of the research to include other firms due to lack of time at the researcher's disposal.

2. REVIEW OF LITERATURE

Moyo (2005) Market segmentation is applied using factors such as demographic, geographic and behavioral. In geographic segmentation, likely organizations or customers are segmented in a national, regional, state, or local marketplace. Below demographic segmentation, customers who are potential are recognized by measures such as Age, gender, income level, age, religion, occupation, marital status and education level. In psychographic segmentation, many firms provide products that are belief based, emotions, and attitudes of the market targeted. A Sample of 200 respondents was obtained about the time frame of 1 month. Tools are used and tested by using SPSS Software. This research elaborate that customers can be made loyal to brand by providing satisfaction through better quality service.

Hunt & Arnett, (2004) The market segmentation theory will be adopted as the theoretical foundation for this study. The market segmentation theory emanated from Wendell (1956). The theory asserts that market segmentation uses demand in the market as its foundation for development and decide reasonable and realistic regulations to products along with marketing actions to satisfy wants of different customers. The market segmentation concept was established in economic theory to display how an organization selling similar products in the marketplace is characterized by heterogeneous demand that exploit profits. The theory indicates that finest profits can be attained if the business uses marginal response to price of consumers i.e. price elasticity to describe commonly exclusive segments and fix prices so that marginal profits accrued in every segment are equal (Jones, 2005). Market segmentation is viewed as a disparity on the model of setting prices by monopolists and is frequently conversed under the price discrimination topic

Chen & Hsiao, (2009) The segmentation theory presupposes that markets are not homogenous however some areas in fact are, implying segmentation shoulders homogeneity at segment level but it doesn't at the market level. Segmentation also adopts segments that lack competition but competition does not have to be accredited if they have been selected on assumption that competitors lack a position that is strong in such segments (Pesonen, 2013). The theory also presupposes segmentation of markets combine markets that are similar into one. Those with same features have similar responses to specific market mixes thus enables firms to device effective strategies of marketing.

Hajar, Mahrani & Sinarwati, (2014) Targeting involves assessing every segment and picking either one or more of the segments to enter (Abeck, 2017). The likelihoods for determining the company's target group of customers in a product market range from trying to appeal to many people in the marketplace (a mass-market approach) to follow one or more niches within the market (Moutinho, 2000). Mass customization is the capacity to react speedily and profitably to the altering needs and desires of specific customers. It's a rounded approach to bringing services and goods to market with the customer as the key aspect of the organization (Lhotáková & Klosová, 2009). Niche marketing involves pinpointing a line of product to one specific sub-segment and obliging to all resources in marketing to the that sub-segment's satisfaction (Dibb & Simkin, 1996). There are three major targeting strategies: differentiated, undifferentiated and concentrated .

Larsen, (2010) In the undifferentiated targeting strategy, a firm embraces the philosophy of mass market, observing the market as one large market without individual segments. Undifferentiated marketing implies creating one offering to the entire market; the offering is focused in the direction of what many individuals need and the majority's common. This strategy asserts that discrete customers have same requirements that are met with a mutual marketing mix (Moyo, 2005). The strategy is an approach of mass marketing that disregards variances among the segments. The entire market is reflected to be undistinguished and the brand or product is aimed to anyone (Lhotáková & Klosová, 2009). A firm does not deliberate the variances between every segment and considers targeting the market with a single offer. Thus, the organization concentrates on the comparable wants of the customers instead of the variances.

Moutinho, (2000) A niche market (one market segment) is picked to target efforts in market under the concentrated targeting strategy. Appealing to one segment grants the opportunity offocusing on comprehending the motives, satisfactions and needs of the members of the segment and on establishing and sustaining a marketing mix that is greatly specialized (Moyo, 2005). By use of concentrated targeting strategy, a firm is capable of marketing more efficiently because of prodigious knowledge and a position that is strong in the needs of the customers inside every segment. Even though concentrated targeting strategy can be

extremely profit gaining, likewise it includes a big risk because of the fact that the firms depend on some segments for their entire firm and will suffer majorly if the segment goes sour (Larsen, 2010). The strategy can also become tragic for a business that is unsuccessful in its target market that is narrowly defined.

Moschis, Lee & Mathur, (1997) The procedure of creating positioning strategies requires one to have the skill to create a marketplace picture and creatively thinks about the three sub-components and the interrelationships between them (Brooksbank, 1994). These strategies are easier to create and put into use in cases where products are sold only to a single market that includes a group of homogeneous people that value offerings like value and convenience.

Ayele, (2012) The quality/price positioning base, so as to signal the quality or stress low price to indicate value can place their attention on high price (Moyo, 2005). The enterprise can say their product is of excellent taste, or the price is low. A product's price has the ability to find the class of the product in the positioning of the objective. It can also improve the perceived consumers' value in the subjective positioning.

Walletzký, (2015) In product positioning it's possible for a firm to put itself in the category of the product untraditionally connected to it, thus expands opportunities for business (Moyo, 2005). Product positioning is a scheme focusing directly on the specific benefits or attributes of a product, that is, features distinguishing brands from each other (Dibb & Simkin, 1996). In the position of the product, product is explained by consumers on essential features - the products place in the mind of the consumer relative to products in competition.

Kipyegon (2009) The positioning strategies adopted by courier firms in Kenya. The study also examined how the firms develop and use these strategies to sustain their competitive advantage. The study adopted a descriptive design and targeted ten courier firms based in Nairobi. Data was composed by usage of a self-administered open and closed ended questionnaire. The study established that acceptance of the positioning strategies by the decision makers is critical and therefore there is need for good identification of the customer needs to help in speeding up the adoption of this strategy and avoid rejection of the same. However, limiting aspects such as lack of technical skills, poor understanding of the relevance of positioning strategies by those in the Management and poor internal support hinder the implementation.

3 RESEARCH METHODOLOGY

3.1 RESEARCH DESIGN

A Research Design is the arrangement of conditions for collections and analysis of data in a manner that aims to combine relevance to the research purpose with economy in procedure. The research is a descriptive research, as it includes surveying and fact-finding. The research was not done before for the organization. The research was supposed to explore details for further studies. This research sought to assess the effect of targeting, segmentation of markets and positioning strategies.

3.2 Method of Collection :

The data source refers to the source from which the data are collected for conducting the study. Data are two types; primary data and secondary data.

Primary Data:

The primary data are those data which are being collected by the researcher for the first time. They are the information received directly from the respondents. In this study primary data was collected from the customers with help of Questionnaire and interview schedule.

3.3 POPULATION

The population for this study is unknown

3.4 Sample Unit:

Researcher consider the respondent as the customer of GR Engineering.

3.5 Sample Size :

Sample size is total number of samples selected for the study from the sampling population. Sample size of this study is 200.

3.6 SAMPLING METHOD

Simple random sampling is defined as a sampling technique where every item in the population has an even chance and likelihood of being selected in the sample. Here the selection of items entirely depends on luck or probability, and therefore this sampling technique is also sometimes known as a method of chances.

3.7 Tools for Data Analysis

The statistical tools used for analysis are

- Frequency analysis
- Chi-square test
- ANOVA
- Correlation

4.DATA ANALYSIS AND INTERPRETATION

TABLE 4.1

One or specific market segment can be beneficial to the customer

DATA	FREQUENCY	PERCENT
strongly agree	114	45.1
Agree	102	40.3
Neutral	17	6.7
Disagree	9	3.6
strongly disagree	8	3.2
Total	250	98.8

INTERPRETATION:

From the above table reveals that 45.1% of the respondents belong to strongly agree, 40.3% of the respondents belong to Agree, 6.7% of the respondents belong to Neutral, 3.6% of the respondents belong to disagree and 3.2% of the respondents belong to strongly disagree Category. Majority 45.1% of the respondents belong to the strongly agree.

Segmenting clients based on resemblance of their reactions can enhance marketing efficiency ?

TABLE 4.2

DATA	FREQUENCY	PERCENT
strongly agree	118	46.6

Agree	96	37.9
Neutral	21	8.3
Disagree	10	4.0
strongly disagree	5	2.0
Total	250	98.8

INTERPRETATION:

From the above table reveals that 46.6% of the respondents belong to strongly agree, 37.9% of the respondents belong to Agree, 8.3% of the respondents belong to Neutral, 4% of the respondents belong to disagree and 2% of the respondents belong to strongly disagree Category. Majority 46.6% of the respondents belong to the strongly agree.

Market segmentation helps the marketers to adjust the specific needs in the market?

TABLE 4.3

DATA	FREQUENCY	PERCENT
strongly agree	111	43.9
Agree	102	40.3
Neutral	19	7.5
Disagree	9	3.6
strongly disagree	9	3.6
Total	250	98.8

INTERPRETATION:

From the above table reveals that 43.9% of the respondents belong to strongly agree, 40.3% of the respondents belong to Agree, 7.5% of the respondents belong to Neutral, 3.6% of the respondents belong to disagree and 3.6% of the respondents belong to strongly disagree Category. Majority 43.9% of the respondents belong to the strongly agree.

Effective segmentation can allow marketer to serve their clients according to their needs?

TABLE 4.4

DATA	FREQUENCY	PERCENT
strongly agree	106	41.9
Agree	92	36.4
Neutral	32	12.6
Disagree	18	7.1
strongly disagree	2	.8
Total	250	98.8

INTERPRETATION:

From the above table reveals that 41.9% of the respondents belong to strongly agree, 36.4% of the respondents belong to Agree, 12.6% of the respondents belong to Neutral, 7.1% of the respondents belong to disagree and .8% of the respondents belong to strongly disagree Category. Majority 41.9% of the respondents belong to the strongly agree.

Segmentation can help to identify the areas having specific needs and to find new customers ?

TABLE 4.5

DATA	FREQUENCY	PERCENT
strongly agree	120	47.4
Agree	101	39.9
Neutral	11	4.3
Disagree	7	2.8
strongly disagree	11	4.3
Total	250	98.8

INTERPRETATION:

From the above table reveals that 47.4% of the respondents belong to strongly agree, 39.9% of the respondents belong to Agree, 4.3% of the respondents belong to Neutral, 4.3% of the respondents belong to disagree and 2.8% of the respondents belong to strongly disagree Category. Majority 47.4% of the respondents belong to the strongly agree.

5. FINDINGS, SUGGESTIONS AND CONCLUSION**5.1 FINDINGS:**

1. Focusing on a one or specific market segment can be beneficial to the customer. Majority 45.1% of the respondents belong to the strongly agree.

2. Segmenting clients based on resemblance of their reactions can enhance marketing efficiency. Majority 46.6% of the respondents belong to the strongly agree.

3. Market segmentation helps the marketers to adjust to specific needs in the market. Majority 43.9% of the respondents belong to the strongly agree.

4. Effective segmentation can allow marketer to serve their clients according to their needs. Majority 41.9% of the respondents belong to the strongly agree.

5. Segmentation can help to identify the areas having specific needs and to find new customers. Majority 47.4% of the respondents belong to the strongly agree.

5.2 SUGESSTION:

1) The company can provide price concession, trade discount and cash discount to motivate the bulk buyers of customers.

2) The pricing policy can be changed according to the convenience of customers.

3) The company can adopt further several product lines newly. This will be helpful to increase profit.

4) A special care should be taken with regard to the complaint given by customers.

5) The company can concentrate more on advertising about their products and services.

- 6) Feedback can be collected from the customers after using the product, according to the feedback the products can be altered.
- 7) Dealers meeting should be organized on regular basis to have interactions about the policies of the company

CONCLUSION:

Using the (segmentation targeting and positioning) STP model, businesses can identify their most valuable customer segments and create products and marketing communications that target those customers. This helps you create engaging, personalized marketing campaigns that convert visitors to customers at a high rate. If you want to use clever segmentation and behavioural targeting methods in your eCommerce marketing strategy.