

ANALYZING THE PRODUCT POSITIONING OF WOMEN'S BEAUTY SOAP IN MANADO

by:

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ABSTRACT

There is no product in the world that does not have a position. Product position is the position of a product relative to competing products in the minds of customers. One way to assess the current position of a product relative to competitors is to compare the various product on some physical characteristics (size, weight etc.). The objective of this research is to know the product positioning of women's beauty soap in Manado. This research uses descriptive type of research where it will investigate the product positioning of women beauty soap in Manado and the effect of the products to Manado's women perception. The population in this research is the female students who are using beauty products in the environment of International Business Administration Program, Faculty of Economics and Business, Unsrat Manado. Samples taken are 40 respondents. The conclusion are: first Lux and Lervia brand perceiving by respondents having similarity; second don't have similarity perception of respondents; third Shinsui and Skin White have similar perception of the respondents, and the final one is Dove don't have similarity with other brand of woman's beauty soap products.

Keywords: *product positioning, beauty soap*

INTRODUCTION**Research Background**

There is no product in the world that does not have a position. In markets where the intensiveness of rivalry and competition are increasing and buyers have a greater choice, identification and understanding of a product's intrinsic values become critical. An offering with a clear identity and orientation to a particular target segment's needs will not only be purchased, but can warrant a larger margin through increased added value. Numerous organizations are trying to manage their positions occupied by their products and are using different positioning strategies to move to new positions in customers minds and so generate an advantage over their competitors Ostaseviciute and Slyburite (2008). Positioning shows the place where existing or to be issued products are put in the market place by the costumers. The purpose is management's attention by the recipient to a certain product and to different that product in favor of the company, compared with similar products Karadeniz (2009).

Positioning as a company strategy tells the world that the company's products are unique Swerdlick (2007). Product position is the position of a product relative to competing products in the minds of customers. One way to assess the current position of a product relative to competitors is to compare the various physical characteristics (size, weight etc.). But it does not provide a complete picture of relative positions because positioning ultimately takes place in customer's mind. When we look at the rising speed of the industries of beautification products, beauty parlors and health centers, it is clear that the consciousness of beauty and the use of beautification items have been increasing. The commonly used beautification products are: fairness cream, talcum powder, body lotion, lip liner, shampoo, lipstick, face wash, eyeliner, perfume and so on. Some beautification products are used daily and some used occasionally.

In this paper researcher focuses on analyzing the product positioning of women's beauty soap in Manado especially female students of International Business Administration (IBA) program, Faculty of Economics, Sam Ratulangi University.

Research Objectives

Regarding the problem which have been formulated and identified that is mentioned in previous section, the research objective is to know the positioning of women's beauty soap in Manado.

THEORITICAL FRAMEWORK**Theories****Consumer Behavior**

Consumer buying behavior in situations characterized by high consumer involvement in a purchase and significant perceived among brand. (Kotler and Armstrong 2001:191). The influence of product placement on attitudes, preferences, and emotions toward a product or brand has not been researched very much. With this in mind, however, no differences have been found in viewers' attitudes toward a product or brand. On the other hand, initial evidence suggests that consumers align their attitudes toward products with the characters' attitudes to the products. In addition, this process is driven by the consumers' attachment to the characters.

Purchase Decision

Purchase decision as the stage of the buyer decision in which the consumer actually buys the product (Kotler and Armstrong 2001:196). They will be buy the most preferred brand but two factors can come between the purchase intention and the purchase decision. As the model shows, buyers usually go through seven steps when making decisions: need recognition, search for information, evaluation of alternatives, purchase, consumption, post-consumption evaluation and divestment. A good comprehension of these different stages aids marketers to realize why consumers are or are not buying specific products and what could make them buy more. However, consumers do not always act as predictably as the marketers desired.

Marketing

Marketing is defined as 'the social and managerial process by which companies create value for customers in order to capture value from them in return. Marketing is all about building right and strong relationships with the right customers. The basic concept is seen as knowing the specific, ever changing needs and wants of the target market and delivering the desired satisfactions better than competitors do. (Kotler and Armstrong 2001:13) Marketing is the set of all actual and potential buyers of a product or service.

Product Positioning

Product positioning is the art of matching your marketing message, with the desires, feelings, & beliefs of the particular type of customer that you know you can service better than anybody else. You make yourself "visible" as the kind of business this individual would naturally be attracted to. Product positioning is closely related to market segment focus. Product positioning involves creating a unique, consistent, and recognized customer perception about a firm's offering and image. A product or service may be positioned on the basis of an attitude or benefit, use or application, user, class, price, or level of quality. It targets a product for specific market segments and product needs at specific prices. The same product can be positioned in many different ways.

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Product Positioning Strategy

A positioning strategy consists of 3 steps: to reveal possible competitive advantages to create a positioning, to select the right competitive advantages and to choose a comprehensive positioning strategy. Later, the company should provide effective communication and distribution to market regarding the selected position (Karandeniz 2009).

Beauty Products

These products are more important to women in general. When we look at the rising speed of the industries of beautification products, beauty parlors and health centers, it is clear that the consciousness of beauty and the use of beautification items have been increasing. The commonly used beautification products are: fairness cream, talcum powder, body lotion, lip liner, shampoo, lipstick, face wash, eyeliner, perfume and so on. Some beautification products are used daily and some used occasionally. The history of use of these products is not new. Beauty soaps are one of the popular consumable products in our regular life. With the increase of demand of this product various marketers tried to invade the market by adding different features with the product Parvin and Chowdury (2006).

Previous Research

Karadeniz (2009) in his article Product Positioning Strategy In Marketing Management, found in the competition among enterprises grows quickly, the market share gets narrower; and in order to gain new markets, companies are trying to create superiority over their rivals by positioning new products aimed at consumer behaviors and perceptions. In this sense, product positioning strategy in marketing management has emerged and now companies conduct studies on this strategy. In this research, product positioning strategy is emphasized and related examples are given. Companies developing their positioning strategies should first determine attributes and images of competitor companies exactly and accurately. Then they must designate a positioning strategy for their own produced product. The main purpose is to head towards products that are not produced by competitor companies but are desired by consumers and carryout a positioning strategy in this way. What kind of differences products and services offered to target market have from rival products, their superiorities and preference reasons must be planned thoroughly in the beginning. Because the market share is too narrow and products are abundantly offered to target market, it should be always kept in mind that an arduous competition ambiance would arise and a strategic plan should be put in force accordingly and also brands which had lost their market share must be repositioned.

Parvin and Chowdury (2006) said in their article "Consumer Evaluations Of Beautification Products: Effects Of Extrinsic Cues" the influence of extrinsic cues, i.e. brand image, perceived price, perceived quality, and perceived country of origin on consumers' evaluative judgments for beautification products. Multi-item measures were used for data collection. Results revealed that three extrinsic cues: brand image, perceived quality, and perceived country of origin have positive and significant influence on consumers' brand evaluation of beautification brands. Only perceived price has shown no such influence on consumers' brand evaluation. This study was conducted to examine the effects of extrinsic cues on how individuals subjectively evaluate a brand. In general, this study allowed analysis of direct influence of extrinsic cues on brand evaluation. Therefore, the direct effects of the extrinsic cues, brand image, perceived price, perceived quality, and perceived country of origin on brand evaluation were tested. The results proposed a model where three extrinsic cues (brand image, quality, and country of origin) were shown direct positive and significant influence on consumers' brand evaluation. Only price did not show any significant influence on consumers' brand evaluation. It is perhaps consumers gave more importance to quality, brand image or other attributes to evaluate a beautification product.

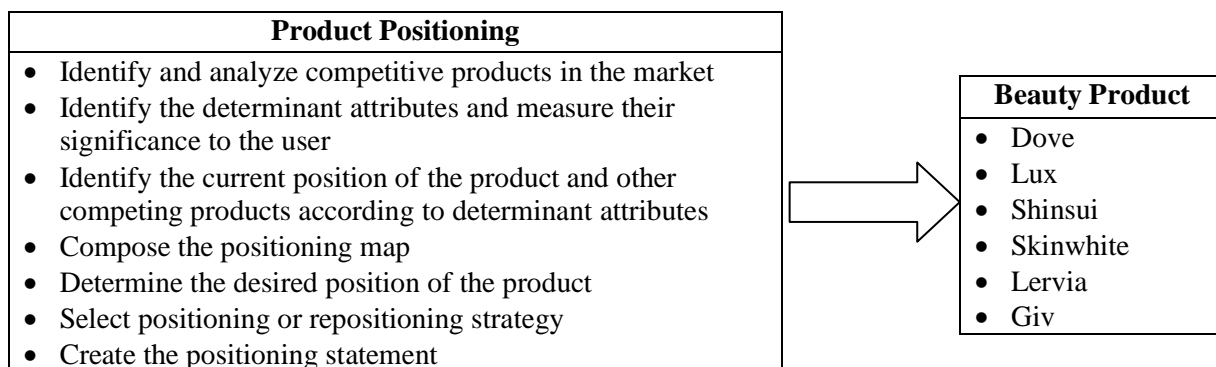


Figure 1. Conceptual Framework

Source: Theoretical Review

The correlation between the Product Positioning and the Beauty soap itself which will be investigated in this research.

RESEARCH METHOD

Types of Research

This research uses descriptive type of research where it will investigate the product positioning of women beauty soap in Manado and the effect of the products to Manado's women perception.

Place and Time Research

This study is conducted in the environment of women's beauty products sellers in Manado between April to July 2013.

Population and Sample

Population is the entire group of people, events or things of interest that the researcher wishes to investigate. Sekaran and Bougie (2009:262). The population in this research is the women who are using beauty products in the environment of International Business Administration Program, Faculty of Economics and Business, Sam Ratulangi University Manado. Sekaran and Bougie (2009:263) sample is a subset of a population that comprises some members selected from it. The sample in this research is the women who are using beauty products in the environment of International Business Administration Program, Faculty of Economics and Business, Sam Ratulangi University Manado. The samples taken are 40 respondents.

Data Collection Method

Primary data refer to information obtained first-hand by the researcher on the variables of interest for the specific purpose of the study. Individual provide information when interviewed, administered questionnaires, or observed. Group depth interviews, or focus groups, are the other rich source of primary data Sekaran and Bougie (2009:180). The primary data in this research focus to the questionnaires. This Type of Questionnaire is a Data collection technique to respondents with providing a variety of question's about this research, so that respondent's stay choose answer.

Operational Definitions and Measurement of Research Variables

1. Product positioning is about visibility and recognition and what product represents for a buyer. In markets where the intensiveness of rivalry and competition are increasing and buyers have a greater choice, identification, and understanding of a product's intrinsic values become critical. An offering with a clear identity and orientation to a particular target segment's needs will not only be purchased, but can warrant a larger margin through increased added value.
2. Beauty products are those that clean and perfume the body, change appearance, correct body odor, protect skin, and keep it in good condition. These products are more important to women in general. When looking to the rising speed of the industries of beautification products, beauty parlors and health centers, it is clear that the consciousness of beauty and the use of beautification items have been increasing.

A scale is a tool or mechanism by which individuals are distinguished as to how they differ from one another on the variables of interest for a particular study Sekaran and Bougie (2009:141). Meanwhile, the Likert scale is used and designed to examine how strongly subjects agree or disagree with statements on a five-point scale Sekaran and Bougie (2009:152). In addition, the Likert scale has been chosen properly to consider that the data from decision making is based on the respondents Brand awareness of consumer decision making. Therefore, respondents will not have problems in understanding and filling out the questionnaire, and it is easy for the researcher to measure, interpreting and analyze the data. In this kind of scale, variables will be measured on five points of scale (1, 2, 3, 4, and 5).

Validity and Reliability Test

Validity is a test of how well an instrument that is developed measures the particular concept it is intended to measure Sekaran and Bougie (2009:157). Since reliable scales are not necessarily valid, researchers also need to be concerned about validity. To analyze the validity of questionnaire, Pearson Product Moment is used. An instrument measure is valid if the instrument measure what ought to be measured. A construct with

perfect validity contains no measurement error (Hair et al., 2010:157). Reliability test is established by testing for both consistency and stability of the answer of question. The reliability test in this research uses Alpha Cronbach. If Alpha is more than 0.6 then it is reliable.

Data Analysis Method

Multi Dimensional Scaling Analysis

Multi Dimensional scaling analysis enables us to map objects (brand) spatially, such that the relative positions in the mapped space reflect the degree of perceived similarity between the objects (the closer in space, the more similar the brands). When the map has been generated, the relative positioning of the brands, together with knowledge of the general characteristics of the brands, allow the analyst to infer the underlying dimensions of the map. Input data. Respondents evaluate brands in pairs, judging the overall similarity between the paired brands. Respondents may either rate (metric scaling) or rank-order (non-metric scaling) the similarity for each pairing brands. This is a major distinction from both factors and discriminant analysis. Unlike those methods, MDS asks respondents to rate brands on overall similarity, not individual attributes. For obtaining input data to be use in Multi-Dimensional Scaling Analysis respondents are asked a series of questions. For each product pair they are asked to rate similarity. Multidimensional scaling can be considered as involving three basic steps. In the first step, a scale of comparative distances between all pairs of stimuli is obtained. This scale is analogous to the scale of stimuli obtained in the traditional paired comparisons methods. In this scale, however, instead of locating each stimulus-object on a given continuum, the distances between each pair of stimuli are located on a distance continuum. As in paired comparisons, the procedures for obtaining a scale of comparative distances leave the true zero point undetermined. Hence, a comparative distance is not a distance in the usual sense of the term, but is a distance minus an unknown constant. The second step involves estimating this unknown constant. When the unknown constant is obtained, the comparative distances can be converted into absolute distances. In the third step, the dimensionality of the psychological space necessary to account for these absolute distances is determined, and the projections of stimuli on axes of this space are obtained. A set of analytical procedures was developed for each of the three steps given above, including a least-squares solution for obtaining comparative distances by the complete method of triads, two practical methods for estimating the additive constant, and an extension of Young and Householder's Euclidean model to include procedures for obtaining the projections of stimuli on axes from fallible absolute distances.

RESULT AND DISCUSSION

Result

Multidimensional Scaling Analysis

All the computation and analysis is done with SPSS 20.0 software. The SPSS software measured the mean of the rating made by the respondents of each brand (stimuli) toward the attributes. After that, the mean of each brand to each attribute is compute with Euclidean distance. The Euclidean distance made dissimilarity rating for the brands and result the stimulus coordinates in dimensions decided, in this case 2 dimensions. The researcher decide using 2 dimensions because the objective of MDS it to obtain a spatial map that best fits the input data in the smallest number of dimensions. After getting the coordinates, the spatial map is constructed.

Measuring the S-Stress formula using Simamora (2005:606):

$$STRESS = \sqrt{\frac{\sum_{i < j} (d_{ij} - \hat{d}_{ij})^2}{\sum_{i < j} (d_{ij} - \bar{d})^2}}$$

D : Average distance ($\sum \frac{d_{ij}}{n}$) in map
 \hat{d}_{ij} : Derived distance from unsimilarity data
 d_{ij} : Real distance

Output by the name of MDS 2 OUTPUT DIMENSIONS and analysis, following the table 4.1 iteration history of 2 dimensional solution (in square distance):

Table1. Iteration History of 2 Dimensional Solution (In Squared Distances)

Young's S-stress formula Solution		
Iteration	S-stress	Improvement
0	.15360	
1	.15360	
2	.15255	.00105
3	.15241	.00104

(Source : Data Processed, 2013)

Iteration stopped because S-tress improvement is less than .001000 Averaged (rms) over matrices Stress = .09678 RSQ = .95666 Configuration derived in 2 dimensions.

Table 1 Multidimensional Scaling study the feasibility having a good model of the RSQ was 95,66%. RSQ similar with R-Square value in linear regression, where is the higher RSQ value, the model or condition is good The value of the category of stress having very good or perfect value with stress value of 0,001%. Perfect stress value is usually caused by a good the number of dimensions used. The number of dimensions used in this research model is 2. Increasing the number of dimensions is not possible because, the object of which should be used a minimum amount to 9 so that 2-dimensional perceptual map is stable.

Table 2.Stimulus Coordinates

Stimulus Number	Stimulus Name	Dimension	
		1	2
1	Dove	-.9374	-.3170
2	Lux	-.9726	-.5945
3	Shinsui	-.3188	-1.2389
4	Skinwhite	-.8470	-.9664
5	Lervia	-.8687	.1832
6	Giv	1.7446	1.7446

(Source: Data Processed, 2013)

Table 2 that is Stimulus Coordinates which are consists of 6 number of beauty shop product they are Dove, Lux, Shinsui, Skin White, Lervia, also Giv. In data there are consistency between the respondents in order to appraise couple similiarity of beauty soap products. Derived Stimulus Configuration Individual (Weighted) Euclidian Distance Model that showing right direction pattern. Based on both of graphics this research model can be use.

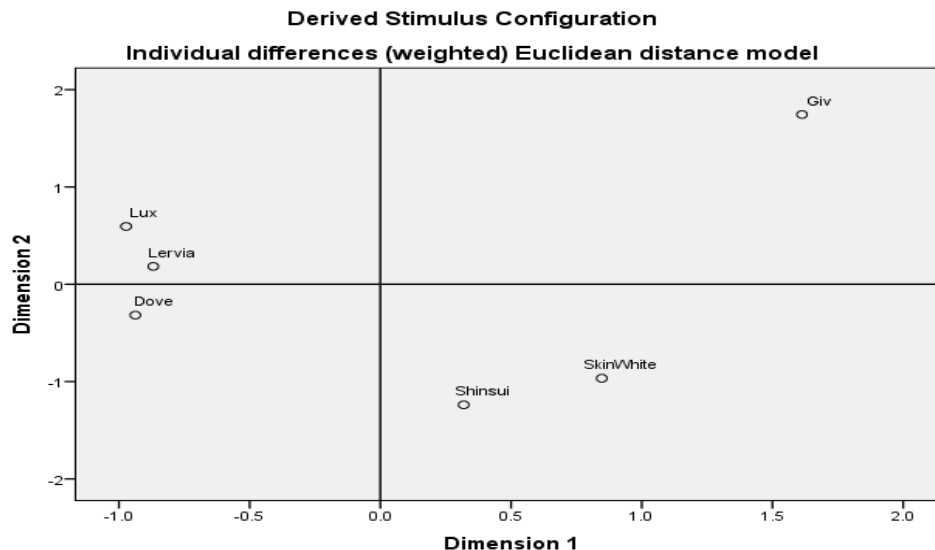


Figure 1. Derived Stimulus Configuration Individual (Weighted) Euclidean Distance Model
(Source: Data Processed, 2013)

The results of the map to show Multidimensional scaling analysis in this case, it can be seen that the Lux beauty soap located on dimension two with the quadrant one have similarity with Lervia beauty soap, because the location of the adjacent and are in the same quadrant. While the beauty soap shinsui and beauty soap skinwhite located on dimension one quadrant four can be also considered to be in the same quadrant, so that they also are similar. For beauty soap Dove located on dimension two with the quadrant three and beauty soap Giv located on dimension one with the quadrant two very far, so that this two beauty soap different with other beauty soap and do not have similarities.

Discussion

Beautification products are those that clean and perfume the body, change appearance, correct body odor, protect skin, and keep it in good condition. These products are more important to women in general. When we look at the rising speed of the industries of beautification products, beauty parlors and health centers, it is clear that the consciousness of beauty and the use of beautification items have been increasing. The commonly used beautification products is: beauty soap. Beautification product such as beauty soap is used daily or sometimes used occasionally.

Women's consumers usually buy not only the beauty product they also buy the image associated with the products. There are several possible ways for consumers to buy beauty product use brand image in their product evaluation. In the first, rational way, brand image beauty product is a construct that consumer use to simplify their product knowledge about a specific brand. Thus, consumers will often refer to brand image beauty product such as beauty soap prior their product attitude formation process. In the second, emotional way, consumers has assume or has positioning in their mind about their self-concept and brand image beauty soap products. Positioning is not about what product or company to a product, but positioning is about something product or company do to the mind of consumers or potential customers. Positioning of beauty product could seen in tagline advertising of several popular beauty products.

Whether in the consumer market or in the industrial market, after selection of a specific section, enterprises should also specify which position they want to be. It is not only the product to position, but also all the staff focused around it. This approach is based on some assumptions: all the goods and brands more or less have objective and subjective characteristics; consumer preferences include one or more characteristic in mind; rival product or brand presentation attributes are assessed according to that characteristics; in other words, that is entirely within the consumer's mind. Examples of objective criteria, size: large-small; weight: heavy-light; strength: be strong-weak; for subjective criteria fashion:

fashionable-old fashioned; reliability: reliable-not reliable. Consumer perceptions are very important here, because when consumers choose between rival presentations, they prefer the most advantageous for them which have the most the important features they expect.

This research of marketing especially product positioning focused on women's beauty soap on Manado derives some things to be discussed. The researcher discovers few things in the market that needs to be solve. The first thing is the relationship between product positioning and brand especially to women's beauty shop. The relationship between these two attributes in the study is positive. The more the product positioning, the researcher found that the brand is more convenience especially woman's beauty soap. This situation shows us that in order to enter the market, product positioning is an important thing to be done. With product positioning, the consumer will aware on that brand. This awareness will force the marketing channel, especially retailers, to provide the brand on the market, which effect to the convenience of the brand itself.

These research founded four major factors or founded mapping of four area of beauty soap brand products positioning consist of 6 major brand of beauty soap brand they are: First Quadrant: Lux and Lervia; Second Quadrant: Giv; Third Quadrant: Shinsui and Skin White; also Fourth Quadrant: Dove. These research impact on company strategies to winning the consumer satisfaction and loyalty, where is they must focusing the resources to product positioning. And the product positioning especially in beauty shop brands product in Manado focusing on four quadrants that is Lux and Lervia in one area, Giv in other area, Shinshi and Skin White and the final one is Dove in one area.

CONCLUSION AND RECOMMENDATION

Conclusion

In multidimensional scalling analysis there are 4 brand position of woman's beauty products: first Lux and Lervia brand percepting by respondents having similarity; second Giv do not having similarity perception of respondents; third Shinsui and Skin White have similar perception of the respondents, and the final one is Dove do not have similarity with other brand of woman's beauty soap products.

The reason each map of product positioning are: Lux and Lervia pick by the respondents because Lux and Lervia focusing on luxury fragrant of the beauty soap also focusing in brand endorsement of the product. Giv has a single quadrant because Giv is the classic beauty product that using by customer since old time (1970s). Shinshui and Skin White focusing on benefit of the product especially to make skin brightening naturally. The last one is Dove who has unique attribute they are benefit to customer are to moisture the skin of woman..

Recommendation

The research that has been made, the researcher want to give suggestion as recommendation: Company who has focusing brand to woman's beauty product like soap must understanding the important of product positioning so they could focusing the competitor from the map of this finding. Company must know who is they're really customer preferences like are the customers like they're product in what attributes positioning price, benefit, variety, and others attributes that could ignite the customer decision to buy, customer satisfaction, and also the customer loyalty to the brand, product, or the company. Further research could extend this finding in several ways. Further research could also examine alternatives of method and variables about beauty soap products.

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