

ANALYSIS OF PRODUCT POSITIONING ON ASIAN MOBILE PHONE PRODUCTS IN MANADO

by:

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email: 1roringdiorio@gmail.com2sifrid_s@unsrat.ac.id**ABSTRACT**

Cellular phone that was once only used to send messages and get in touch with each other, has now turned into a lot of functions and is very sophisticated, with the development of mobile products makes a mobile phone into an object that is in need tape that used to have multiple mobile phone functions that have only by some well-known product now owned or installed into the phone - mobile phone often known by the mobile phone made in asia or asian mobile phone such as: Oppo, Lenovo, HTC, Mito, ZTC, Nexian mobile phones that previously mobile phones that not have capabilities that have high brand value, because it saw the economic competition now finally they apply to adds some features that other mobile phone into their console at low prices. The key findings regarding the physical characteristic showed the top two considerations included: price and Quality. The purpose of this research to identify the age, occupation and latest education of each customers by creating a multidimensional scaling. With 100 respondents are contributed and Multidimensional Scaling method is used in this research. In this case, people in Manado have a different perception towards Mobile Phones. Mobile Phone branded Htch have attention from customers as best based on quality and Mobile Phone branded ZTC as the expensive based on price. The results of the analysis showed that others competitors have to increase their quality and adjust their price to compete and get attention from customers.

Keywords: *product positioning, perceived price, quality.*

INTRODUCTION

Era of globalization where speed and accuracy are needed in the work force people to be ready to face the issue, development and improvement of technology, science, society, economy and education push people to have better standard of living and lifestyles. As the lifestyle of people around the world is changing, due to socio- culture, economic and other influences, many new industries are emerging plus the development of the technology world in the field of Telecommunication where the internet has become a source of human needs to do various things. encourages people want to have a practical tool that can be used for various things. making it the world associated with internet becomes very crowded in the drill businessmen it affects to the rapid growth in internet mobile industry, especially in this recent time. Because of the characteristic of the market is quite high by value, it attracts many companies to enter to this market continually.

Domestic companies and others doesn't try to take as much as advantages in their local market but multinationals companies also went on purpose to reach the market. Even there is intensive competition in mobile phone market, many companies still willing to invest in this market to respond for the high demand that available in the market. Most people who use social media internet facilities are very happy when they have a lot mobile phone cellular function, cellular mobile phone roommates is not only used for calling or sending a message to, family, friends, or people who are known.

Cellular phone that was once only used to send messages and get in touch with each other, has now turned into a lot of functions and is very sophisticated, with the development of mobile products makes a mobile phone into an object that is in need tape that used to have multiple mobile phone functions that have only by some well-known product now owned or installed into the phone - mobile phone often known by the mobile phone made in asia or asian mobile phone such as: Oppo, Lenovo, HTC, MITO, ZTC, Nexian mobile phones that previously mobile phones that not have capabilities that have high brand value, because it saw the economic competition now finally they apply to adds some features that other mobile phone into their console at low prices.

Research Objective

The Objective of this research:

To analyze the positioning of asian mobile phone products (Oppo, Lenovo, HTC, MITO, ZTC, NEXIAN) in Manado .

THEORETICAL FRAMEWORK

Marketing

Kotler and Armstrong (2012:29) define marketing is the process by which companies create value for customers and build strong relationship in order to capture value from customer in return. The marketing process involved five steps. The first four steps create value for customer. First, marketers need to understand the market place and customer needs and wants. Next, marketers design a customer-driven marketing strategy with the goal of setting, keeping, and growing target customer. In the third step, marketers construct a marketing program that actually delivers superior value. All these steps form the basis for the fourth step, building profitable customer relationship and creating customer delight. In the final step, the company reaps the rewards of strong customer relationships by capturing value from customers

Market Segmentation

Shun (2009) Market segmentation is to divide the whole market into meaningful, relatively small and identifiable market segments, which are groups of individuals or organizations with similar product needs. Before the 1960s, few enterprises carried out market segmentation. However, today segmentation is a crucial marketing strategy. It enables marketers to regulate marketing mixes to meet the needs of particular segments. And it helps marketers identify consumer needs, preferences and find new marketing opportunities, too.

Market Positioning

Kotler, et.al (2008:410) market positioning is about arranging a product to occupy a clear, distinctive and desirable place relative to competing products in the minds of target consumers. Formulate a competitive positioning for a product and a detailed marketing mix.

Positioning

Kotler and Armstrong (2005:54) positioning is an effort to distinguish one company's products from those of competing brands. Its goal is to achieve a strategic advantage in the market and present desirable products in the mind of target customers

Consumer

Burnett (2008) in the case of business organizations, and marketing organization in particular, the people with the needs are called consumers or customers. Kotler and Keller (2009:72) customers are value maximize. They form an expectation of value and act on it. Buyers will buy from the firm that they perceive to offer the highest customer delivered value, defined as the difference between total customer benefits and total customer cost.

Consumer Behavior

Consumer behavior reflects the totality of consumers decisions with respect to the acquisition, consumption, and disposition of goods, services, time, and ideas by human decision-making units (over time) ". It reflects more than the way that a product is acquired by a single person at any one point in time. Hoyer and McInnis (2010:22) the psychological core exerts considerable influence on consumer behavior. A consumer's motivation, ability, and opportunity affect his or her decisions and influence what a consumer is exposed to, what he or she pays attention to, and what he or she perceives. These factors also affect how a consumer categorizes or interprets information, how he or she forms and changes attitudes, and how he or she forms and retrieves memories. Each aspect of the psychological core has a bearing on the consumer decision-making process, which involves (1) problem recognition, (2) information search, (3) judgment and decision making, and (4) evaluation of level of satisfaction with the decision. Consumer behavior is also affected by the consumer's culture and by the typical or expected behaviors, norms, and ideas of a particular group. Consumers belong to a number of groups, share their cultural values and beliefs, and use their symbols to communicate group membership. Consumer behavior can be symbolic and express an individual's identity. In addition, consumer behavior is indicative of how forcefully or quickly an offering can spread throughout a market.

Kotler and Keller (2009:210) consumer behaviour is the study of how individuals, groups, and organizations select, buy, use, and dispose of goods, services, ideas or experiences to satisfy their needs and wants. Consumers are exposed to a myriad of marketing and other external stimuli on a daily basis for which the marketer has to consider consumer characteristics and consumer psychology to successfully position a product or service. Consumer characteristics include; culture, social and personal factors and consumer psychology include motivation, perception, learning and memory.

Consumer Preferences

Consumer preferences are defined as the subjective (individual) tastes, as measured by utility, of various bundles of goods. Ability to purchase goods does not determine a consumer's likes or dislikes. One can have a preference for Porsches over Fords but only have the financial means to drive a Ford. Consumer preferences is different attitudes that individual may have toward an object at the same time—one that is explicit and one that is implicit.

Consumer Perception

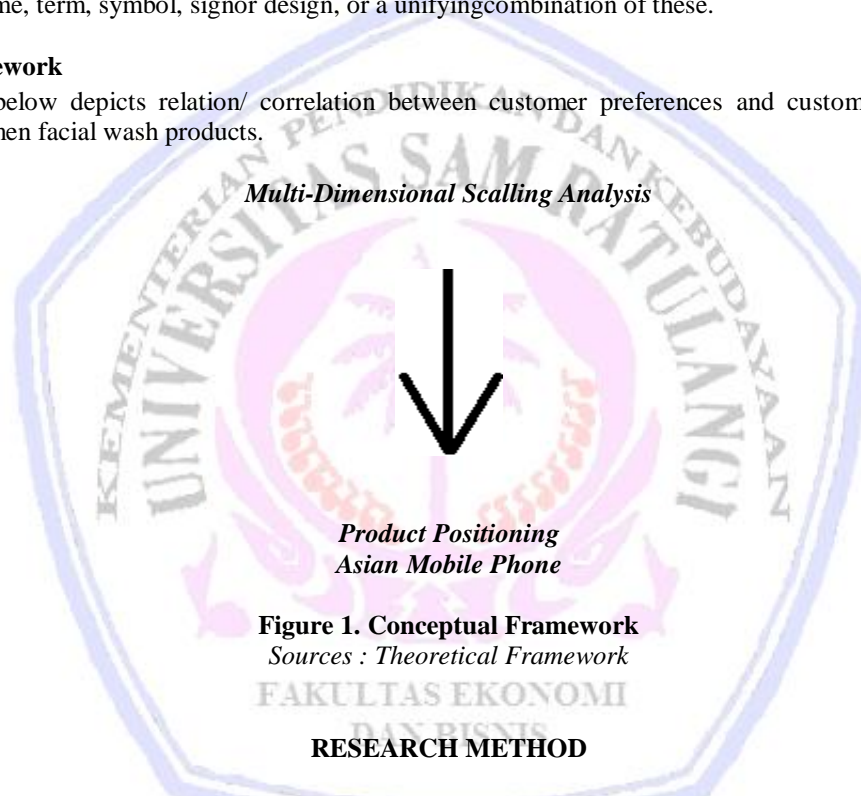
Hoyer and McInic (2010:80) perception is the process by which incoming stimuli activate our sensory receptors: eyes, ears, taste buds, skin, and so on. Global marketers know that buyers hold distinct attitudes and beliefs about brands or products from different countries. These perceptions can be an attribute in decision making or influence other attributes in the process.

Brand

Ghodeswar (2010) The key to branding is that consumers perceive differences among brands in a product category. Furthermore it is stated that brand is an identifying feature that distinguishes one product from another. More specifically, any name, term, symbol, sign or design, or a unifying combination of these.

Conceptual Framework

Diagram below depicts relation/ correlation between customer preferences and customer perception and the positioning of the men facial wash products.



This part explains the method used in this research starting from the source of data, population and sample, definition of research variable (two variables) with variables measurement, and data analysis method. This research used Multi-Dimensional Scalling Analysis.

Data

There are two types of data:

Primary data

Primary data is data originated by the researcher specifically to address the research problem. The researcher gets data from the result of questionnaires. Questionnaires are distributed to respondents so they can respond directly on the questionnaire. Respondents were selected by applying convenient random sampling technique.

Secondary data

Secondary data is data collected through the existing sources to support the research. The secondary data is data that have already been gathered by researcher from related books, journals, articles in magazines or news paper, internet and other information available from any source which useful in this research. This secondary data were used in the background, literature review, theoretical review, and discussions.

Population

SekaranandBougie (2009:262), population is “the entire group of people, events, of things of interest that the researcher wishes to investigate”. The populations in this research are all the consumers in Manado that use mobile phone.

Sample

SekaranandBougie (2009:263), a sample is “a subset of the population. It comprises some members selected from it”. In order to ensure adequate representation of customers, purposive sampling process was used to select the sample of the study. This become necessary to obtain information from specific target groups, in this research, the samples are the groups of men who knows or use the men-face wash products. The samples taken are 100 respondents.

Operational Definition of Research Variables

The positioning of the asian mobile phone products in the market are determined by two elements to get accurate results:

1. Consumer preferences which is a consideration of which asian mobile phone product that consumer prefers.
2. Consumer perception which is a consideration of the consumer perception of the asian mobile phone.

The index of fit (R-square)

The index of fit or *R-square* is a squared correlation index that indicates the proportion of variance of the optimally scaled data that can be accounted for by the MDS procedure. Values of 0.60 or better are considered acceptable. It also can be acceptable if it's less than 0.60 if the Scatterplot of Linear Fit shows similarity attitude of respondents in giving their judgement to the products.

Stress Values

Stress values are also indicative of the quality of MDS solutions. While *R-square* is a measure of goodness-of-fit, stress measures badness-of-fit, or the proportion of variance of the optimally scaled data that is not accounted for by the MDS model. Stress values of less than 10% are considered acceptable.

Multi-Dimensional Scaling Analysis

The Concept. Multi-Dimensional Scaling enables us to map objects (brands) 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 of brands. This is a major distinction from both factor 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 (usually on a 7 point Likert scale from very similar to very dissimilar). The number of questions is a 3 function of the number of brands and can be calculated as $Q = N(N - 1) / 2$ where Q is the number of questions and N is the number of brands. The data collected than will be put in a similarity matrix to be analyzed.

RESULT and DISCUSSION

Result and Discussion Mutlidimensial Scalling Analysis

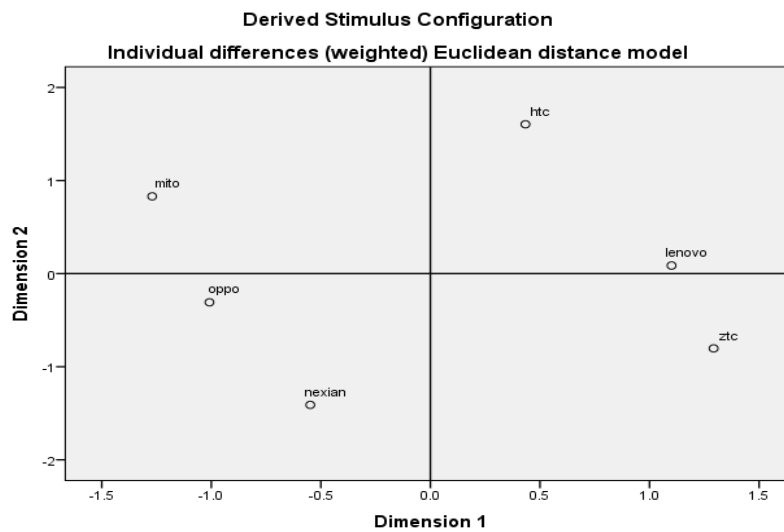


Figure 2. Derived Stimulus Configuration

Source: Data Processed, 2014

Analysis

It is the result of a ALSCAL process map to display the map MDS of the cases above seen that the product is branded HTC phone have in common with Lenovo branded mobile phone brand, because the location of their position on the show in the results above are very close together and are in the same quadrant, and product Oppo branded mobile phone and a cell phone which is also located on the Nexian branded nearby positions and are in the same quadrant so as it can be said that the two products are similar, ZTC and Mito are positioned far apart and are in different quadrants with two other groups of mobile phone so it can be said that the two most different brands of mobile phones with the two groups the mobile phone Consider the 1-dimensional analysis of the angle-axis {x} and {y-axis dimension 2}:

DIMENSIONS 1. Figures show that more and more to the right then the greater the number of dimension 1, also seen that Lenovo product and mobile phone htc product is brand cell phones that are in a position where the highest value of x at the right end of the line {horizontal} stating both these products have on the dimensions of the factors that differentiates it from other mobile phone brands.

DIMENSIONS 2. Figures show that getting to the top, then the larger 2-dimensional figures of the above results indicate that the oppo branded mobile products and branded products handponemito y have the highest or greatest value at the upper end {vertical line}. then it can be said that mobile phones are branded and branded oppomito have distinguishing factors on dimensions 2.

By knowing these facts,

Alternative strategies can be developed for mobile branded Lenovo

1. Should not have to compete with the branded product HTC phone because in the eyes of the respondents, both types of mobile products that have many similarities. If the two types of mobile products occupy remote locations, so the competition is not relevant anymore.
2. With ZTC branded mobile products, because they have different variables and are in different quadrants ZTC has factors that distinguish the products of Lenovo mobile phone subscribers or instant customer perceptions, until the respondent may after a while will change perceptions.

Alternative strategies can be developed for mobile branded Oppo

1. Should not have to compete with the branded product Nexian phone because in the eyes of the respondents, both types of mobile products that have many similarities. If the two types of mobile products occupy remote locations, so the competition is not relevant anymore.
2. With Mito branded mobile products, because they have different variables and are in different quadrants mito has factors that distinguish the products of Lenovo mobile phone subscribers or instant customer perceptions, until the respondent may after a while will change perceptions.

Compatibility Test GIVE RESPONDENT IN ASSESSMENT

MDS also provides facilities to test whether the respondents are already filling scales "similarity" between the toothpaste on top, or did not already aligned. Here can be interpreted in harmony respondents have the same attitude (homogeneous) in assessing the similarity between mobile products.

**Flattened Subject Weights
Individual Differences (Weighted) Euclidean Distance Model**

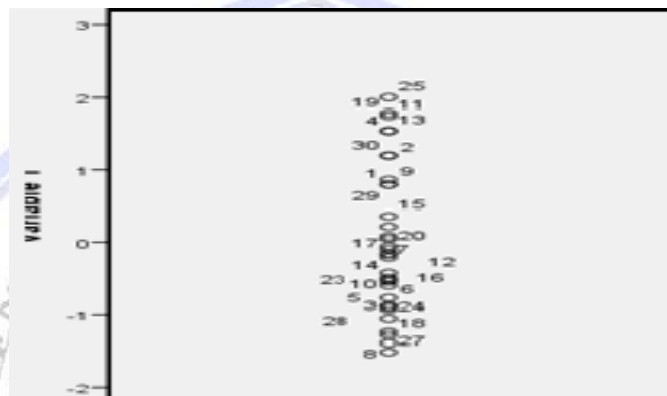


Figure 3. Flattened Subject Weights

Source: Data Processed, 2014

In the chart above, visible position 100 respondents (see number of respondents in a circle) can be formed a "straight line" that leads to the lower right. This proves the consistency of the respondents in assessing the similarity of 6 mobile products. In a graph that contains a set of coordinates, the coordinates of dots do not form separate groups, but relatively huddled in the middle. This proves the similarity of the attitude of the respondents.

CONCLUSION and RECOMMENDATION

This chapter consist of the conclusion form the result that researcher doing of the the time.

Conclusion

There are several important findings that can concluded from the overall result on this research:

1. Branded HTC phone have in common with Lenovo branded mobile phone brand, because the location of their position on the show in the results above are very close together and are in the same quadrant.
2. Product Oppo branded mobile phone and a cell phone which is also located on the Nexian branded nearby positions and are in the same quadrant so as it can be said that the two products are similar.
3. ZTC and Mito are position far apart are in different quadrants with two other groups of mobile phone so it can be said that the two most different brands of mobile phones with the two groups the mobile phone.
4. Lenovo product and mobile phone HTC product is brand cell phones that are in a position where the highest value of x at the right end of the line (horizontal) stating both these products have on the dimensions of the factors that differentiates it from other mobile phone brands.
5. Oppo branded mobile products and branded products hand phone Mito y have the highest or greatest value at the upper end (vertical line). then it can be said that mobile phones are branded and branded Oppoand Mito have distinguishing factors on dimensions.

Recommendation

The recommendation that can be given are:

1. Lenovo should not have to compete with the branded product HTC phone because in the eyes of the respondents, both types of mobile products that have many similarities. If the two types of mobile products occupy remote locations, so the competition is not relevant anymore.
2. Lenovo with ZTC branded mobile products, because they have different variables and are in different quadrants ZTC has factors that distinguish the products of Lenovo mobile phone subscribers or instant customer perceptions, until the respondent may after a while will change perceptions.
3. Oppo should not have to compete with the branded product Nexian phone because in the eyes of the respondents, both types of mobile products that have many similarities. If the two types of mobile products occupy remote locations, so the competition is not relevant anymore.
4. Oppo with Mito branded mobile products, because they have different variables and are in different quadrants Mito has factors that distinguish the products of Lenovo mobile phone subscribers or instant customer perceptions, until the respondent may after a while will change perceptions.

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