



## IMPORTANCE OF BRAND POSITIONING FOR BRAND BUILDING

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### Abstract

The expression of enterprise marketing activities are based on the enterprise's operational efficiency, competitiveness, and value creation. Dyer, Godfrey, Jensen and Bryce (2003): Noted this value may come in the form of different product features, product quality or reliability, convenience, or brand image. Brand development aims to establish a more stable corporate operation system, developing and delivering product awareness and benefits of product services to customers, and increasing business volume beneficial the enterprise's future expansion and sustainable management. Core brand positioning is the core focus of brand management symbolizes the trust in and commitment to corporate products and services. A high-quality brand can continue to groom its unique charm. Liu (2022): Noted "Brand" helps consumers to make purchase choices by representing trust, reliability, quality, image, and price.

The purpose of this study is to discuss brand positioning is one of the most important factors in corporate brand building and exploring how an enterprise can enhance customers' understanding of its products and services. And after proper promotion and packaging, branding can stimulate consumers' emotions and strengthen their

product loyalty. Parikshat S. Manhas (2010): Noted the target market and the perceived differentiation from competitors are core Concepts of Positioning.

Keywords: Brand Positioning, Supply Chain, Brand Marketing, Value Chain, Differentiation, Strategic Management

## Introduction

### *Corporate Value*

Industries require cooperation among upstream, midstream, and downstream supply chains to create value for consumers. Liu (2022): Explained core products increase the maturity and competitiveness, and increase the level of supply service and performance, so that the core products increase the perceived value. In industry analyses, the division of labor among upstream, midstream, and downstream supply chains in the value system affect the benefits within the system. Management expert Michael Porter believed that an enterprise consists of a series of value activities such as product design, manufacturing, marketing, and after-sales services. These value activities compose the corporate value chain and to create value for customers when considered in combination. The corporate value chain defines value activities with the enterprise's core industry. Liu (2018): Explained the value chain helps organization resolve relevant strategic activities in order to understand

the roles and advantages of the organization. The execution of corporate value activities is based on execution efficiency and corporate capabilities, while brand building that is corporate operational capability and performance. Liu (2022): Said the importance of brand planning is to establish the basic concept of business philosophy.

Starting from R&D, the enterprise that the effect on consumer perception through product and service quality. Keller and Swaminathan (2020): Said a product is anything we can offer to a market for attention, acquisition, use, or consumption that might satisfy a need or want. Consumers' perception of the products and the benefits is provided by such products, brand advantages are established through brand marketing and management. Keller and Swaminathan (2020): Said ensure the entire organization understand and supports branding and brand management. The enterprise strives for market share to possess the products and services as relative advantage in the market. The enterprise's expansion and consolidation of its market scope and competitiveness are the

sources of its profitability, which helps increase the product visibility and reputation and, then enhance operating profits. Keller and Swaminathan (2020): Explained a good positioning should reflect a consumer point of view in terms of the benefits that consumers derive.

### *Brand Strategy*

Market expert Susan Fournier held that mass-market brands could soothe the empty self of individuals abandoned by traditional communities and society and provide them with a safe harbor in a changing world. Pulitzer Prize winner Daniel Boorstin believed that brands could help people position themselves and deliver this positioning to others.

Keller and Swaminathan (2020): Deemed ensure identification of the brand with customers and an association of the brand in customers' mind with a specific product class, product benefit, or customer need. A brand is an important means for an enterprise identifying identity. The marketing activities of enterprise organization are one of a key elements in decision-making. In a changeable market environment, the enterprise must comprehensively master its resources and strategic considerations and design to fully leverage its competitiveness and competitive advantages, among which brand management is the most essential factor. Kotler and Keller

(2013): Said to ensure that the brand strategy is successful, the brand value must be established.

Malhotra and Agarwal (2002): Said customers ascribe good reputation to companies that have demonstrated trustworthiness and integrity as part of their "core" values. Product value symbolizes a profound image of products and services imprinted on customers' minds; it's rather than just a brand name. When selecting products, consumers can know about the product characteristics and functions when they understand the brand. Keller and Swaminathan (2020): Deemed the brand must not only be top-of-mind and have sufficient mind-share, but it must also do so at the right times and places. This is the perception given by the brand to customers, who can make purchasing decisions without any risks. Malhotra and Agarwal (2002): Explained dependence, trust and commitment lead to cooperative and collaborative activities that are conducive to relationship marketing success and to outcomes that increase efficiency, productivity, and effectiveness. A brand also embodies trust and commitment for customers, brand is a "noun" is established between customers and products and services. Malhotra and Agarwal (2002): Illustrated while existing studies have emphasized "perceived quality" of product/services as a distinct dimension of

corporate reputation among customers. Author David Aaker indicated that a brand was a unique name and symbol, used to identify the products or services from one or a group of sellers and distinguishing them from competitors' products and services. Dyer, Godfrey, Jensen and Bryce (2023): Noted identifying the sources of product differentiation is challenging. Therefore, a brand is the source from which consumers identify a product, and protects consumers and manufacturers, at the same time, differ from products manufactured by competitors. Keller and Swaminathan (2020): Said the augmented product level include additional product attributes or relate services that distinguish the product from competitors.

In summary, brands possess products and services with high differentiation include tangible, intangible, symbolic, and emotional levels. Dyer, Godfrey, Jensen and Bryce (2023): Said product differentiation is a strategy whereby companies attempt to gain competitive advantage by offering value. The customers' understanding of products and services refers to a process of benefit exceeding cost, which reflects customers' awareness of the brand's value provision capabilities. Malhotra and Agarwal (2021): Said creating and communicating perceived value to customers depends on the right amounts of

resource allocation by firms that would enable them to match customer perceptions of value. Consistent and continuous effort to cultivate brand performance, to base on brand's concept and proposition allowing a brand to exert its unique charm is irreplaceable. Keller and Swaminathan (2020): Believed a strong brand can provide valuable reassurance and clarity to business customers who may be putting their company's fate.

### Brand Positioning

Keller and Swaminathan (2020): Explained brand positioning is at the heart of marketing strategy. It is the 'act of designing the company's offer and image so that it occupies a distinct and valued place in the target customer's mind. Brand building is a commitment of organizational products and services to self-worth. To create a high-quality brand, the enterprise must shape positioning the brand first, then form customers beyond the emotions and commitment to the brand. Parikshat S. Manhas (2010): Said brand attractiveness consists not only of the beliefs about the attributes of the brand, but also of the importance of the attributes of these brands to consumers. Brand value and customer benefits can be elevated if customers are satisfied with and loyal to such products and services. Brand positioning is the enterprise's direction and

development of operations, and a precondition for brand activities. F.E. Webster Jr. (1991): Who declared that positioning was a relevant strategic concept, a development in consumer marketing, but with equal applicability for industrial products and services. Brand positioning involves product positioning, and such positioning in the market is defined in accordance with product characteristics to ensure differentiation from competitor products.

Keller and Swaminathan (2020): Believed adopt a corporate branding strategy if possible and create a well-defined brand hierarchy.

Factors for successful brand building include the following:

(1) The basic position of a brand conforms to meet market needs and the functions and features of products and services, including quality, functionality, and convenience. Parikshat S. Manhas (2010): Noted a brand can be positioned in several ways: offering a specific benefit, targeting a specific segment, price or distribution.

(2) In addition to using the above functions, the connotation of a brand must possess a unique value that can satisfy customer needs, increase product

added-value, provide customers with intangible benefits, and improve customer loyalty. Woodruff (1997): Stated consumer value is defined by the relationship between the customer and the producer, then discovered that products provide added value and build emotional bonds after the customer uses the important product or service produced by supplier.

(3) Enterprise organization in order to increase customers' perceptual ability, the brand should provide various kinds of information for customers so that they can save time when making purchasing decisions; Parikshat S. Manhas (2010): Noted that brand identity and positioning is central to developing strong customer base and brand equity. Therefore, the brand should provide coherent the quality, content, and benefits as advertised, and such information can improve the familiarity and visibility of the overall brand personality and style. Keller and Swaminathan (2020): Explained consumers in some product categories just do not have the necessary knowledge or experience to judge product quality even if they so desired.

Consumers' cognitive function and psychological attitudes towards products and services. The benefit of a product us that is satisfies the psychological needs of customer. For other brands,

this brand can gain customer support and care for long term. Gradually, it has developed into a strong brand. Keller and Swaminathan (2020): Said creating strong brands that deliver on that promise, and maintaining and enhancing the strength of those brands over time, is a management imperative.

The American Marketing Association defines “brand”: “a name, terminology, symbol notation, design or the combined use of the above techniques that identifies one seller’s goods or service as distinguish from those of other sellers.” Dyer, Godfrey, Jensen and Bryce (2023): Noted it is important to remember that product differentiation is always a matter of customer perception.

Brand positioning means to establish a unique, clear, and valuable image of an enterprise brand in consumers’ minds, Parikshat S. Manhas (2010): Said the brand positioning strategies element is considered to be important for the operationalization of the concept. this is part of the complete strategy in the market, differentiation is what allows a brand to differentiate itself from its competitors, helping customers easily identify from a wide range of options, developing brand loyalty and emotional connection is the foundation and goal of brand management strategy. Keller and Swaminathan (2020): Said to provide

appropriate concepts, theories, models, and other tools to make better branding decisions. Malhotra and Agarwal (2021): Explained from an economics perspective, ‘strategic’ firm choices reveal their true attributes, thus signaling to customers to assess relevant firm attributes in their construction of corporate reputation.

#### Research Purpose

“Brand” is significantly shaping products and services in corporate development. During the execution of marketing activities under a marketing strategy, promoting the functions and characteristics of products and services enables customers – perceived rights to improve market share, increases operating profits, and realizes the goal of building a high-quality brand.

To build a high-quality brand, product positioning should first be established. Products and services provided to afford customers’ cognition and benefits of the brand. Through brand marketing and strategy, to build a core industry for the value chain, and consolidate its business scope and competitiveness; such action can be regarded as successful brand positioning.

This study elaborates on the relevant stress of brand positioning that

must be decided by an enterprise when building a brand. The enterprise's brand is an important guarantee for stable corporate development, while brand value can bring business benefits and market influence to the enterprise. Therefore, the brand is the largest intangible asset in corporate operations. This study can assist businesses in developing strategies for brand position and become a reference for academic research units.

## Literature Review

### *Value Chain*

American strategic management scholar Michael Porter (1985) indicated that the value chain was a high-level logistics model, starting with raw materials as input assets and ending with sales of raw materials to customers through different processes. The value-added activities conducted in this process can be taken as constituent parts of the value chain. Dyer, Godfrey, Jensen and Bryce (2023): Illustrated the value chain refers to the sequence of all activities that are performed by a firm to turn raw materials into the finished product that is sold to a buyer. In the value chain, an enterprise can apply resources and information and technology, and exert leverage and multiplier effects to enhance organizational competitiveness and operational advantages. Liu (2022): Said it is

necessary to consider the unique business strategy of a competitive market. Within the scope of the value chain, enterprise extend from the internal core of the enterprise to suppliers, retailers, and then customers, relying on each other to increase the performance of the value chain. Dyer, Godfrey, Jensen and Bryce (2023): Noted companies that participate in many or all stages of the industry value chain, from exploration to final sale, are highly vertically integrated. In a complete value chain, upstream, mid-stream, and downstream enterprises cooperate management with each other. Therefore, the enterprise can enhance its cooperation with customers and suppliers and improve corporate operational efficiency and profits. It can also develop unique advantages to create higher added-value for its shareholders. Dyer, Godfrey, Jensen and Bryce (2023): Said the value chain for an industry is the sequence of activities; each key activity 'adds value' to the prior activity -- hence the term value chain.

When conducting marketing activities and continually publicizing its brand, an organization intends to strengthen its brand rights and interests and impress the characteristics and merits of its products and services to consumers. Keller and Swaminathan (2020): Explained customer-based brand equity is the differential effect that brand knowledge has on consumer response to

the marketing of that brand. Also said customer-based brand equity occurs when the consumer has a high level of awareness and familiarity with the brand and holds some strong, favorable and unique brand associations in memory. Products and services that attract attention through brand association extension, building brand position and continuous maintaining the direction of brand strategy, enhancing brand value and gaining a strong financial performance. Liu (2020): Said that brand strategy expansion of the organizational linkage enterprises must strengthen organization execution and operation functionality, and promote the integration of brand resources. Michael Porter also mentioned: "The value chain provides a systematic way of examining all the activities a firm performs and how they interact." Bruce T. Barkley, SR. (2006): Noted strategic objectives are developed as part of a brainstorming process, and then confirmed by top management and the board of directors, including an understanding of the cost involved and knowledge of the source of existing and potential differences in the competitors' product to develop the enterprise's competitive advantage. The corporate organization to analyze the basic direction of sources of competitive advantages and consider the integrity of the value chain. If an enterprise cannot coordinate with manufacturing, marketing activities can-

not be regarded as a competitive advantage, and brand value cannot efficiently improvement. Dr. Hsin Hsin Chang said that considering different industrial environments and market niches, many companies will try to use different internationalization models to reduce the risk of global operations and consolidate any existing competitive advantages. Therefore, the corporate organization must consider situations when selecting brand positioning and brand strategy. Michael Porter said that decisions should be made through "cost leadership", "differentiation", and "focus" to make a choice to achieve the best competitive advantages and enhance brand value and competitiveness.

### *Positioning Strategy*

The concept of product positioning can be understood as follows: A corporate organization selects a target market according to the product attributes, and the marketing activities of the organization can secure a place in the market for such products and leave a profound impression on consumers' in relation to the products. The customers' high consumption for these products can help the organization achieve its target operating profits. Parikshat S. Manhas (2010): Said it is understood that a product's position is the way in which the product is defined by consumers on important at-

tributes and the place the product occupies in the minds of the consumers relative to competing products. In other words, the corporation determines the product positioning, to shapes the brand personality to establishes brand attributes in the minds and psychological perceptions of customers and to occupy a unique position in the target market. Grant (2005): Said brand also represents an investment which creates an incentive to maintain quality and customer satisfaction.

Successful positioning means that customers when a customer wants to buy a product and when the product meets or facilitates the customer's use, a certain brand and product immediately come to mind. Kotler and Keller (2006): Noted that brand image is the different perceptions and beliefs consumers hold, as reflected in the associations consumers' memory may grasp. Consumers' perception of products, relevant information and position, and linking experience and knowledge, the marketing positioning to achieve the desired objective, a brand position strategy success, more further expanding market share, and improving competitive advantages. Wikipedia: Market share is the percentage of the total revenue or sales in a market that a company's business makes up.

## Research Method

In this study, appropriate and relevant measures are discussed in the literature, and the relevant dimensions and evaluation criteria are selected based on the expertise and experience of the experts, with the literature interviews being conducted according to the hierarchical analysis method. This study aims to assist business practitioners and academic research institutes in making good brand positioning decisions based on brand management and corporate planning management concepts.

1. This study adopts the literatures and theories investigation method. Firstly, the study uses the method to collect qualitative data, then investigates the current application situation of the business operation by analyzing the backgrounds of the study objectives, interviewing, and observing the focus of the study to understand the requirement and expectations of the managers for customers in the enterprise.

2. Next, the study uses literatures and theories to perform a qualitative investigation by referring to relevant foreign and domestic literature and studies and integrating the content of the correlated case. Furthermore, the study performs a paper investigation by random sampling, and further analyzes and

confirms the marketing management method of the paper.

3. Finally, the study analyzes related data and the literatures and theories investigate the correlated case to understand how marketing management modes influence brand position to determine the study's results and provide effective suggestions for the brand position.

### Conclusion

The establishment and application of each corporate operation strategy involve different circumstances and conditions in each process. Strategic management is significance it promotes enterprises to differentiate themselves from competitors in a competitive market. Keller and Swaminathan (2020): Noted the obvious overriding consideration in defining market segments is profitability. And developing a segmentation scheme with direct customer lifetime value perspectives can be highly advantageous. Brand building also requires core competitiveness and value creation to find a strategic positioning through

core competitiveness and to establish the brand position and value. Dyer, Godfrey, Jensen and Bryce (2023): Noted it is important to note that a product differentiated based on quality or reliability may offer essentially the same features and functionality as other products, but lasts longer. Then, based on its expertise, products, services, and according to core competitiveness, to manage the company's resources and capabilities.

Vigorously conduct marketing activities, to promote high-quality products and services to create customer perception and demand and to increase operating revenue to continually create brand value. Kotler and Keller (2016): Illustrated brand equity is reflected in perceptions, preferences, and behavior related to all aspects of the marketing of a brand. Strong brands lead to greater revenue. Therefore, brand positioning is one of the important factors in the brand building process. Mintzberg, Lampel, Quinn and Ghoshal (2013): Explained brand identification creates a barrier by forcing entrants to spend heavily to overcome customer loyalty.

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