

Accommodation facilities positioning

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Abstract. This paper is based on the positioning concept as it was established in 1972 by Al Ries and Jack Trout as being "a tangible good, a service, a company, an organism or even a person. Positioning does not mean what one does with the product but especially what the product represents according to the conception of the one prospecting the market" (Ries and Trout 1982).

In this case the product accommodation, which is in fact a sum of complex services at the customers' disposal, makes it impossible to compare on a certain market since the hotels, "or commercial accommodation forms" (Lupu 2010), are classified according to a series of criteria among which the most important being the services offered and the way they are offered, the comfort level or the location in the territory.

The aim of this paper is the positioning on a certain market of some accommodation facilities with an agreement on the choice, use and interpretation of common attributes such as: comfort, fares, notoriety, positioning, the complexity of services offered. This undertaking uses the Fishbein-Rosenberg model, as well as the graphic interpretation of the study¹.

Keywords: accommodation facilities market, positioning, Fishbein- Rosenberg model, positioning characteristics.

1 Introduction

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Studies regarding the product (in a wide meaning, services being also included in this term) hold an important place in the marketing research. This fact is fully justified since the product represents the object of market activity, a point of reference according to which we assess the efficiency of the organization's economic activity and we monitor all the behavioral reactions of the demand bearers.

Substantiating the offered services research activity is based on a wide range of information that needs to be obtained systematically and structurally from the market. The information offers solutions to a large number of problems, among which those regarding the way services are assessed by users compared to similar services destined to satisfy the same needs of other producers.

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¹ The positioning obtained by values is less suggestive and it increases the difficulty of formulating complex conclusions.



Positioning is a concept in marketing which was first introduced by Jack Trout (Trout 1969) and then popularized by Al Ries and Jack Trout in their bestseller book "Positioning - The Battle for Your Mind." - McGraw-Hill 1981.

The concept of authors Al Ries and Jack Trout has been successful in the business world since the publication "positioning is based on the product which can be a tangible good, a service, a company, an organism or even a person. Positioning is not what one does with the product but especially what the product represents for the one who prospects the market." (Ries and Trout 1982)

The concept of positioning was initially developed in the specialized literature of the seventies (Dubois, L.P., Jolibert, A. 1977) having as object the product and then the brand of the producer. Gradually, its range expanded on the company itself, now being the main way of marking the place the company holds or wishes to hold in the future.

According to Kotler, positioning is "the way the product is defined by consumers on important attributes - the place the product occupies in consumers' minds relative to competing products" (Kotler 2002).

Positioning proposes a revolutionary method in the attempt to create a "position" in the mind of a potential customer.

The term of "product positioning" is about the decisions and the activities undergone in order to create and maintain in the consumer's mind a certain concept about the company's product.

When the company launches a product it tends to position it so that it appears to have the most wanted characteristics on the market. This projected image is very important and it must be continually improved because the customers' needs and expectations are continually changing and one of the main goals of a major company is the increase of the degree of customers' satisfaction. (Mandru 2011).

2 Theoretical Concepts

2.1 The Meaning of Positioning

There can be one or a few essential features which make a product or a service different, that is it gets a distinct value compared to that of the competition's product on a targeted market since the consumers find it quite hard to make the decision to buy.

Not all organizations can offer products or services, from the simplest to the most sofisticated ones, which can not be differentiated in one way or the other. This differentiation aims to emphasise the distinctive differences compared to the competition's offer. Theodore Levitt suggested hundreds of possible circumstances to differentiate a product (Levitt 1986). The existence of differences, which can be quite significant in certain cases, must create value, something more than the competitors' offer. In this case, a series of attributes must offer a certain competitive advantage.

Differences can be concentrated by "attitudes formed by the assessment of the customer of the most important attributes" (Catoiu and Teodorescu 2004), which characterizes in fact the perceived image of the organization.

The consumers' perceptions regarding the association differentiation- perceptions must correspond to the strategy chosen by the organization and especially to its communicational axes- which can be estimated by what it is called the positioning of a brand. In this way, what matters the most "are not



only the associations themselves, but also their intensity" (Catoiu and Teodorescu 2004).

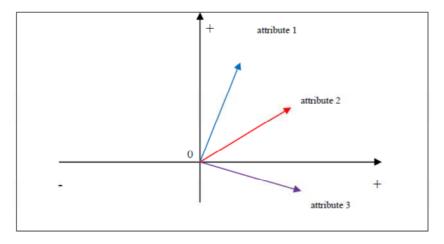
2.2 Research Methods

The research regarding positioning has evolved at the same time with the development of the investigation techniques for the buying behavior. Measuring the data obtained from such studies is based on the metric system – mainly interval systems – and the analysis of the information uses the multi-dimensional scale or the factorial analysis. The multi-dimensional scale allows the correlation of physical and psychological attributes of a new product with the possibility of being bought as a try and with that of being bought again by the same consumer. Locating a new product by positioning is done both in regard to the goods of the competition and to the "ideal product".

Concerning its positioning towards the goods of the competition, the marketing practice offers two possibilities for positioning, as follows:

A. – Positioning by means of a positioning map

Positioning with a positioning map means using two or more attributes of the product which are analysed by direct research and the products of the competition are marked on a graphical matrix representation of on the basis of the results obtained. (see Figure 1).



Source: processed by author

Figure 1 Matrix graphical representation

B. – Positioning by using the Fishbein-Rosenberg model.

The representative sample we will carry out the research on must assess with marks the "N" attributes connected to the competitors' offer related to which we wish to position our own product. This positioning method means taking into account the following aspects:

- a) usually, positioning on the basis of only two attributes is neither convincing nor sufficient. It is necessary to use more attributes for assessment;
- b) the conclusions drawn from the analysis of such a map have a limited validity in time, which implies repeating the research at certain intervals.



3 The Case Study

The aim of this paper is the positioning of the accommodation facilities, formed by the most representative commercial accommodation forms from Focşani (the countyseat of Vrancea district – the biggest and most important winegrowing area in Romania), represented by the firms that have accepted to participate in this study as follows:

- Dana Inn **
- Hotel Amadeus ***
- Hotel Solar ***
- Hotel Fashion ****

With the help of this research we wish to know the position the already mentioned facilities hold in the context of classification differentiation (Romania has an official system of classifying the accommodation facilities for touristic purposes, and according to this system the accommodation facilities should offer a minimum range of imposed services) from the point of view of:

- Comfort;
- Price:
- Complexity of the services offered;
- Notoriety;
- Position.

The information needed for the marketing research has been gathered from the clients of the hotels belonging to the 4 firms with the help of a questionnaire. The questionnaire ² has been devised according to the funnel principle starting with general questions and continuing with questioned connected strictly to the purpose of the research and the interviewed subject. Due to various constraints – especially time and cost- the data necessary for the research has been gathered from a sample of 214 people, clients of the hotels at the time of the research.

The place for gathering the data has been the reception desk of the four hotels belonging to these firms. The questionnaires have been filled out personally by each client. Due to the limited time and the costs, the size of the sample could not be increased.

3.1 The Analytical Processing of Fishbein-Rosenberg Model

As mentioned before, the Fishbein-Rosenberg model requires two steps, *the first one* being the identification of the positioning characteristics according to their importance in the consumers' options.

After processing the questionnaires, we have obtained a distribution of the incidence of answers illustrated in table 1. The distribution of incidence allows us to calculate and place on a scale the studied attributes according to the importance given to them by the people questioned.

 $^{^2}$ The questionnaire had 11 questions, and questions 6 and 7 are about positioning BUSINESS ADMINISTRATION



Table 1 Distribution of incidence of answers for question

(Please divide 100 points according to the importance that you assign the following criteria that you have in mind when you choose a certain hotel- question 6 on the questionnaires)

criteria points	Comfort	Price	Services	Notoriety	Position
0	18	9	7	62	25
5	1	12	9	17	17
10	7	31	32	72	66
15	2	2	17	5	14
20	38	55	68	17	44
25	22	19	14	2	5
30	32	32	27	4	17
40	40	11	7	7	1
50	27	17	2	0	5
60	9	5	5	3	4
70	2	4	4	9	13
80	7	6	13	11	0
100	9	11	9	5	3
Total	214	214	214	214	214

Source: Processed by author according to the analysis of the questionnaires

Next we present the calculation of the average points obtained by each characteristic. The calculations have been made with the help of the weighted average, according to the formula:

Equation 1. calculation of the average points obtained by each characteristic

$$\overline{X} = \frac{\sum_{i=1}^{n} x_{i} f_{i}}{\sum_{i=1}^{n} f_{i}}$$

Table 2 presents the average number of points obtained by each characteristic. Where:

 \bar{x} – the average number of points obtained

 x_i _number of points granted by each subject for criterion i

f_i total of subjects

Table 2 Gradating the criteria taken into account when choosing a hotel

Criteria	Average number of points	Place awarded by consumers
Comfort	31,61	I
Price	29,83	II
Complexity of services	28,22	III
Position	19,67	IV
Notoriety	18,25	V

Source: Processed by author according to the analysis of the questionnaires



The first conclusion we can draw following the first stage of analyzing information is that when accommodation services consumers choose a certain hotel, they consider firstly the comfort offered, price being the second choice in this case. The following criteria are the complexity of services and the position of the hotel, while the last one is the notoriety held by that hotel. In fact, there is a direct connection between the complexity of the offered services and the price charged, both of them offering an image of the basic level of the customer's satisfaction. The rest is fulfilled in the stage of expectations, but mostly in the stage of perceptions. In this context the definition of quality "undergoes a change, from a professional approach based on presentation and actions to an approach characteristic to business, based on results" (State Olimpia, Istudor Nicolae, 2009). This connection emphasizes the obtaining of competitive advantages, that is the approach oriented towards the customer under the guise of the results for the user of services.

During the *second stage* of information processing with the help of the Fishbein-Rosenberg method, the subjects had to assess on a scale from 1 to 10 each of the analyzed characteristics. This information was obtained with the help of the next question (Please mark from 1-10 the hotels from Focşani area according to the level to which they satisfy the criteria that follows- question 7 on the questionnaires).

The results obtained, as well as the calculation of the average scores obtained by each accommodation facility assessed according to the 5 criteria will be integrated in the matrix of positioning the hotels as data from table 3 show.

Table 3. The matrix of positioning for the accommodation facilities analysed

Accommodation facility	Dana	Amadeus	Solar	Fashion
Criteria				
Comfort	7,93	7,22	7,46	7,84
Price	7,54	6,94	8,22	7,95
Complexity of services	7,50	7,46	7,84	8,12
Notoriety	7,82	6,57	7,46	6,94
Position	6,22	7,96	8,66	6,94

Source: Processed by author according to the analysis of the questionnaires

Combining the results obtained by this stage of the research (from Table 3) we can draw up the summarizing table – Table 4.

Next we will calculate for each of the four accommodation facilities the final average number of points obtained by the general assessing of the 5 compared characteristics, according to the calculations in Table 5.

Table 4. Summarizing the information obtained from the answers gotten for questions 6 and 7

		Importance of	Mark given			
No.	Characteristic	the characteristic	Dana	Amadeus	Solar	Fashion
1	Comfort	31,61	7,93	7,22	7,46	7,84
2	Price	29,83	7,54	6,94	8,22	7,95
3	Complexity of services	28,22	7,50	7,46	7,84	8,12
4	Position	19,67	7,82	6,57	7,46	6,94
5	Notoriety	18,25	6,22	7,96	8,66	6,94



Source: Processed by author according to the analysis of the questionnaires

As we have mentioned, the average is calculated by adding up the produces between the importance of each characteristic and the way the accommodation facility satisfies each characteristic:

Table 5. Total number of points obtained by the analyzed hotels

	Points obtained by:	
Dana	$(7,93 \times 31,61) + (7,54 \times 29,83) + (7,50 \times 28,22) + (7,82 \times 19,67) + (6,22 \times 18,25)$	954,4
Amadeus	$(7,22 \times 31,61) + (6,94 \times 29,83) + (7,46 \times 28,22) + (6,57 \times 19,67) + (7,96 \times 18,25)$	906,7
Solar	$(7,46 \times 31,61) + (8,22 \times 29,83) + (7,84 \times 28,22) + (7,46 \times 19,67) + (8,66 \times 18,25)$	1006,9
Fashion	$(7,84 \times 31,61)+(7,95\times 29,83)+(8,12\times 28,22)+(6,94\times 19,67)+(6,94\times 18,25)$	977,1

Source: Processed by author according to the analysis of the questionnaires

At this stage of the research we can draw the conclusion that, overall, *Hotel Solar* has the most favorable image among the consumers, followed by *Fashion Hotel*. We also notice a certain similarity of points obtained by the two-star inn Dana and the four-star hotel Fashion. The slight advantage is given only by the range of services offered at the hotel, to the detriment of the location of the inn (located downtown), and also by the customers' choice between the usefulness offered by the level of accessibility or the comfort given by the hotel. In this case, the level of comfort is more important than the level of usefulness. Customers find it easier to travel to the city outskirts thus choosing the comfort of the services.

3.2 Graphical Representation

Positioning obtained expressed only by values is less suggestive and it increases the difficulty to formulate complex conclusions. In such situations it is recommended to effectuate positioning through graphical representation. This will be carried out by a complex positioning map having 5 representation axes determined by the 5 researched characteristics. For this we will draw a table with the distribution of the characteristics (Table 6) where we will record the incidence of appearance of each characteristic and the angle corresponding to each incidence.

Table 6 Distribution of the analysed characteristics

No.	Characteristic	Incidence of appearance	Angle corresponding to incidence (°)
1	Comfort	31,61	89,2
2	Price	29,83	84,2
3	Complexity of services	28,22	79,6
4	Position	19,67	55,5
5	Notoriety	18,25	51,5
	Total	127,58	360 °

Source: Processed by author according to the analysis of the questionnaires

With the help of these data we draw up the positioning map, represented in Figure 2.



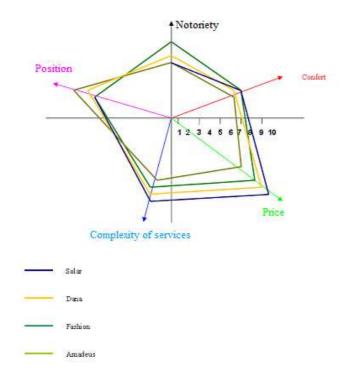


Figure 2 Positioning map

Source: Processed by author according to the analysis of the questionnaires

4 Conclusions

The marketing research has provided valuable information which will help the future managerial decisions.

Gathering, processing, analyzing and interpreting the data obtained with the questionnaires from the hotels that participated in the study have allowed the accentuation of some aspects connected to the "strong" and "weak" points of the firm studied.

Using the Fishbein – Rosenberg method for evaluating the image of the accommodation facilities in Focsani related to the competition on the local market has led us to the conclusion that the analyzed accommodation facilities have the best image among the consumers of such services.

The necessity to continue the diversification of services is highlighted by the answers given by the subjects that answered the question about the services they wished to find in the offer of the hotels during their stay.

A weak point of the analyzed firms is, however, the notoriety, element for which the firms have gotten an average of 18,25 points. This results in the necessity that the management of the firms should direct



their efforts towards a stronger and stronger advertising campaign in order to make their product known, that is the offer of accommodation and food services.

When compared to the competition, the accommodation offer on the market of Focsani has the next strong points: prices and the complexity of services (there is a direct connection between the two, both from the point of view of the meaning and the range) followed by location and notoriety. The hotels can be differentiated according to the standard of services and facilities offered which leads to an increased level of comfort. On the main axis (comfort-offered services-price) we can not ignore any of these attributes since there is no low price for high comfort. Paraphrasing Professor Lupu – "a low price will make the loyal customers feel mistrust and they will look for hotels charging higher prices" (N. Lupu, 2010).

In the case of the hierarchy on the competitive market in this field, the analyzed firms will have to systematically carry out two types of positionings according to the levels of demand and offer:

- A positioning of the offer in the competitive environment
- A positioning of each product in the range.

The positioning of each product in the range represents a preliminary enterprise for the entire product policy of the firm.

A correct positioning requires taking into account not only each product's contribution to the total volume of beneficiaries, but also measuring the dynamics of its sales and its market share. In this manner the firm obtains the necessary information to adjust its range – which product concurs the most to the accomplishment of its marketing and financial goals, which product must be supported and which one needs to be withdrawn from the market.

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