

Market Positioning

Quantitative and Qualitative Analysis

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Market Positioning

- Goal:
 - Properly position a product or brand in the marketplace. This is important in gaining competitive advantage and market share.

Positioning a Product in the Marketplace

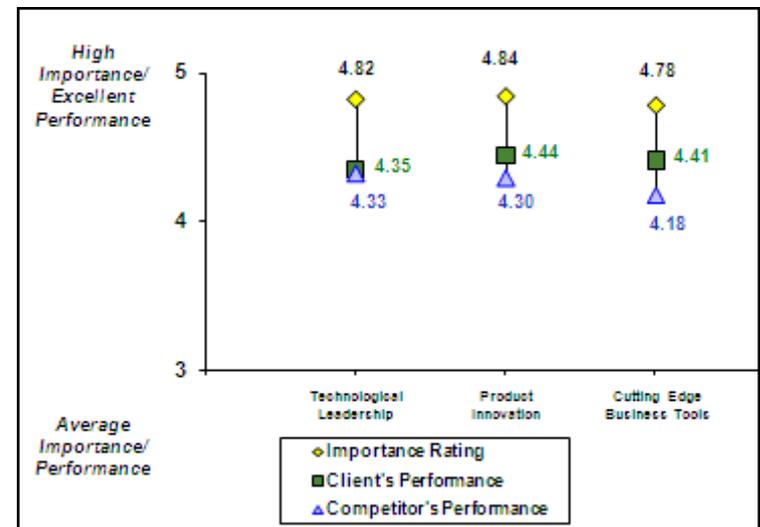
1. Define specific market category/relevant market
 - Identify product's "market breadth" and give it a competitive frame of reference
2. Identify key competitors in the defined category/relevant market
3. Define/outline high potential target markets/audiences
4. Perform a quantitative and qualitative analysis
 - Identify key category attributes (decision-making factors)
 - Rate attribute importance
 - Rate attribute fulfillment and compare with fulfillment ratings
 - Conduct gap analysis
5. Assess points of potential competitive differentiation
6. Develop competitive positioning
7. Determine company/product/brand personality

Quantitative and Qualitative Analysis

- Gap analysis of mean performance and importance ratings
- Strategic improvement analysis based on performance and importance ratings
- Correlation analysis of all factors examined during the fieldwork effort
- Open and Closed-ended questions combined with supporting verbatim comments

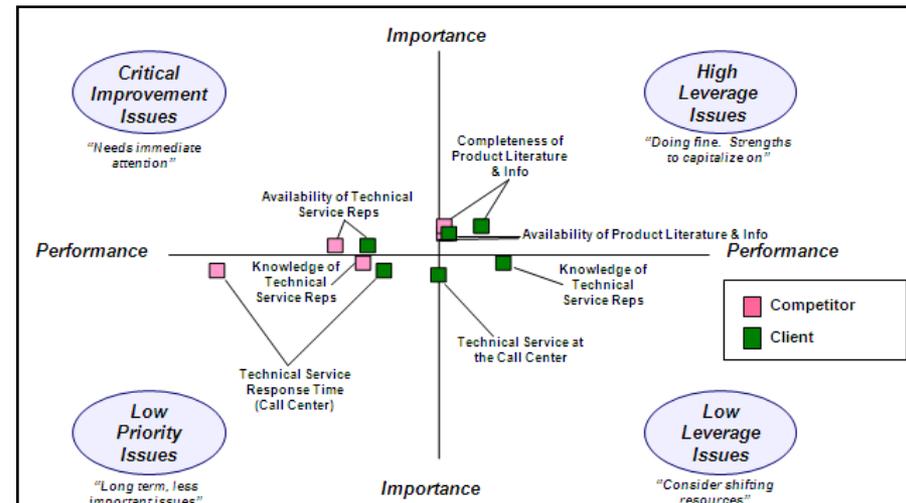
Gap Analysis

- Asks respondents to rate the importance of specific factors to their purchase decision process, as well as their perception of their supplier's performance in these same areas.
- Example question:
 - *Using a five point scale how would you rate the importance of product innovation when selecting a supplier?"*
 - *"Now, using a similar five point scale where (read below), how would you rate your current supplier's performance in the area of product innovation?"*
- The mean of the importance and performance ratings are used to develop the chart, which provides a visual representation of the following:
 - The gap between the importance placed on a specific factor and the client's performance within that area
 - The gap between the client's performance and that of its key competitors
 - The relative importance of a set of factors



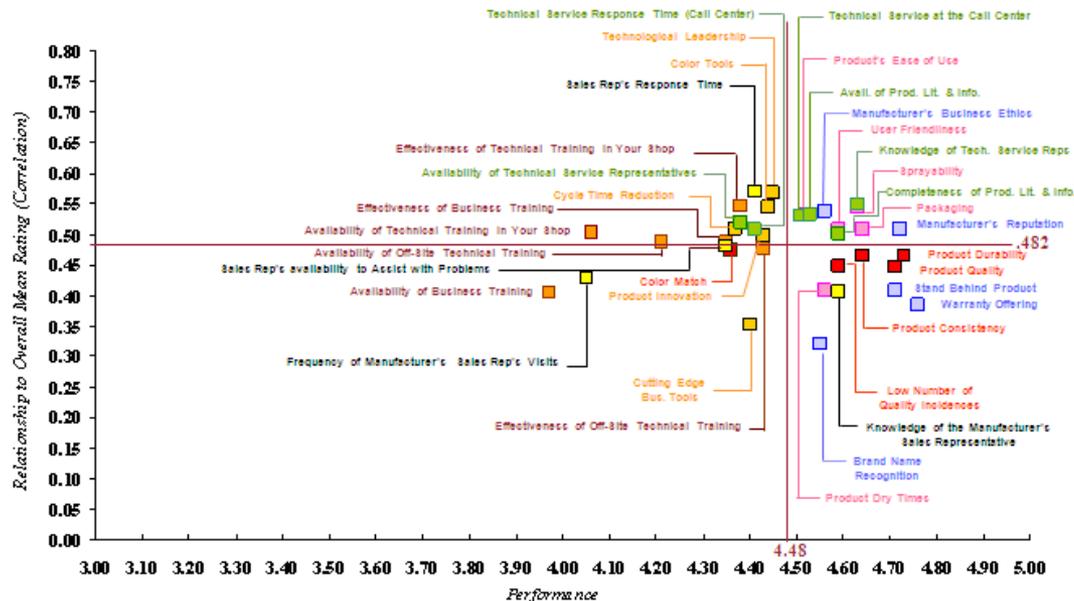
Strategic Improvement Analysis

- The mean importance and performance ratings also can be used for more advanced analysis techniques.
- The chart presents the importance and performance ratings for each factor, graphically placed into one of four quadrants, based on its relationship to the industry average for importance and performance.
- This tool is intended to assist in the prioritization of improvement efforts, as well as the identification of competitive advantages that can be leveraged.



Correlation Analysis

- Respondents are asked to provide an overall rating of their supplier's performance on a similar five point scale as that used to rate the performance for individual factors
- A statistical correlation is run to assess which factors are most closely related to the overall score
- Factors with high correlation and high performance ratings indicate that current levels should be maintained, while factors with high correlation and low performance ratings should be given high priority for improvement efforts



Open and Closed-ended Questions

Open-ended Questions:

- The most effective method of obtaining the true voice of the respondent.
- Responses should be grouped and tabulated to improve the usability of this type of information

Closed-ended Questions

- Used to maintain consistency from respondent to respondent (it's important to understand the reasoning behind a closed-ended response)

Voice of Sales - VOS

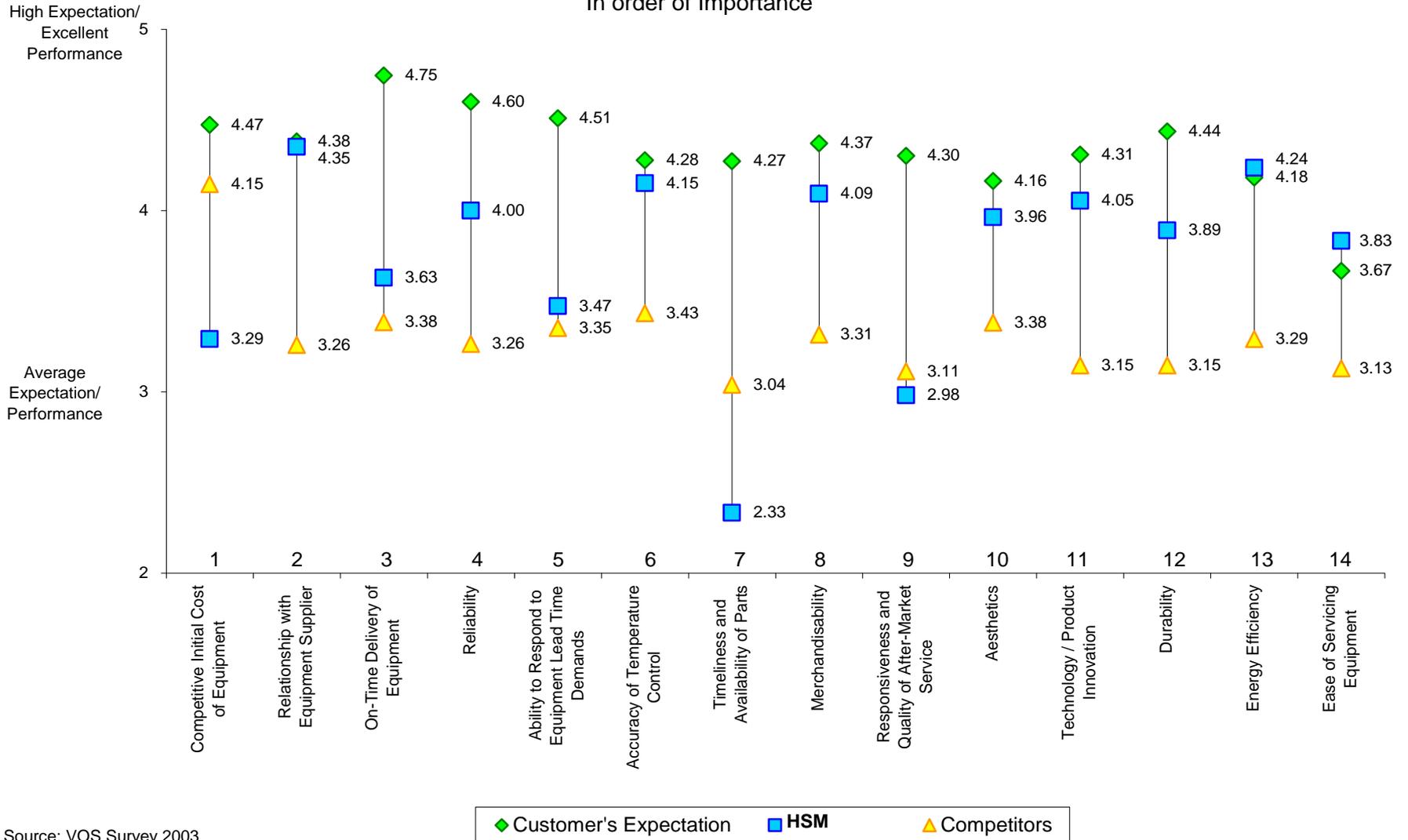
Results - VOS

Attribute	Importance	Customer's Expectation	Performance		GAP	
			HSM	Competitors	HSM	Comp.
Competitive Initial Cost of Equipment	8.45%	4.47	3.29	4.15	(1.18)	(0.33)
Relationship with Equipment Supplier	8.11%	4.38	4.35	3.26	(0.03)	(1.12)
On-Time Delivery of Equipment	7.97%	4.75	3.63	3.38	(1.12)	(1.36)
Reliability	7.71%	4.60	4.00	3.26	(0.60)	(1.34)
Ability to Respond to Equipment Lead Time Demands	7.53%	4.51	3.47	3.35	(1.04)	(1.16)
Accuracy of Temperature Control	7.14%	4.28	4.15	3.43	(0.13)	(0.84)
Timeliness and Availability of Parts	6.89%	4.27	2.33	3.04	(1.94)	(1.23)
Merchandisability	6.86%	4.37	4.09	3.31	(0.28)	(1.06)
Responsiveness and Quality of After-Sale Service	6.73%	4.30	2.98	3.11	(1.32)	(1.19)
Aesthetics	6.67%	4.16	3.96	3.38	(0.20)	(0.78)
Technology / Product Innovation	6.58%	4.31	4.05	3.15	(0.25)	(1.16)
Durability	6.48%	4.44	3.89	3.15	(0.55)	(1.29)
Energy Efficiency	6.22%	4.18	4.24	3.29	0.05	(0.89)
Ease of Servicing Equipment	5.45%	3.67	3.83	3.13	0.17	(0.54)

GAP Analysis

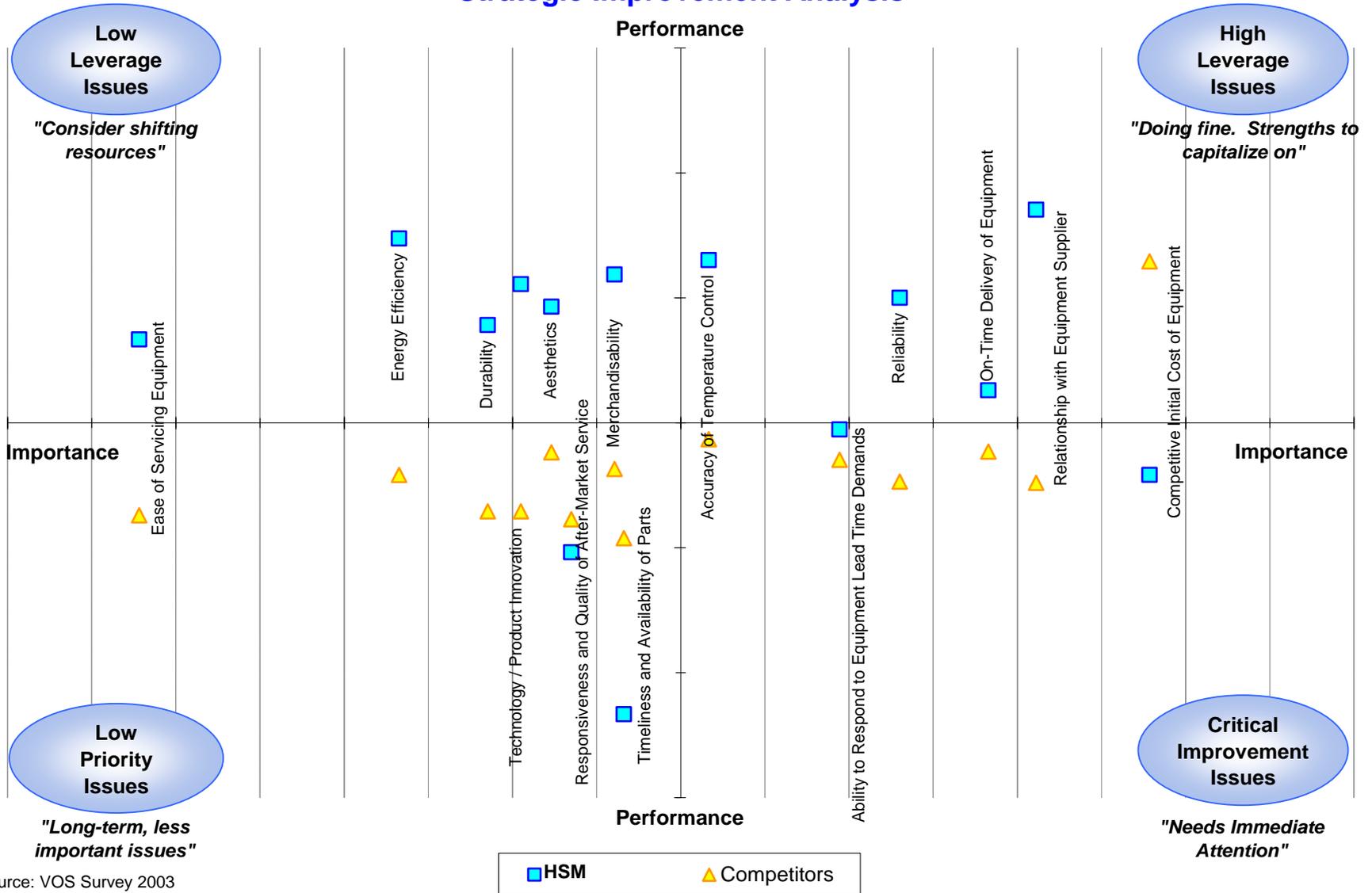
Attribute Expectation/Performance

In order of Importance



Source: VOS Survey 2003

Strategic Improvement Analysis



Source: VOS Survey 2003

Voice of Customer - VOC

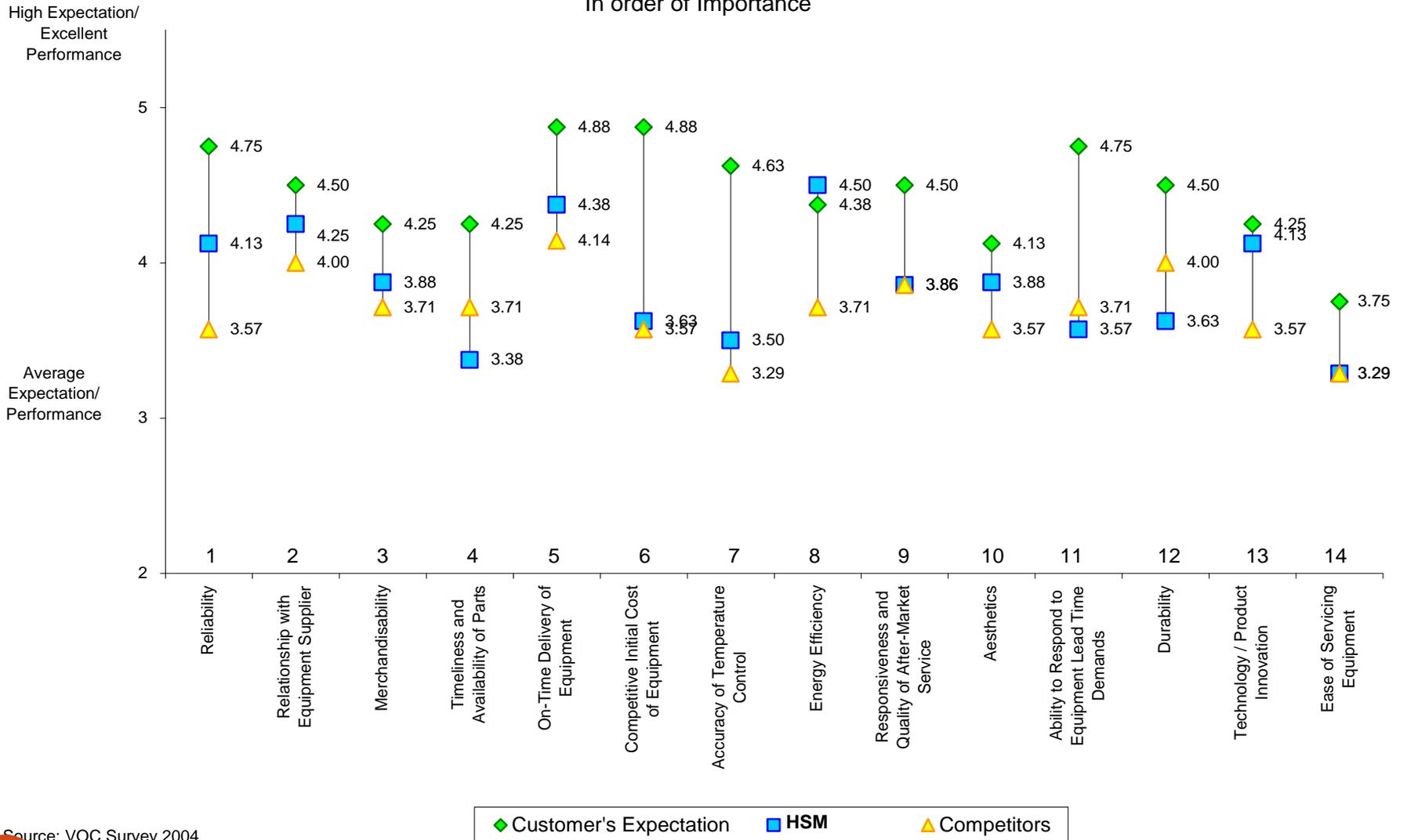
Results - VOC

Attribute	Importance	Customer's Expectation	Performance		GAP	
			HSM	Competitors	HSM	Comp.
Reliability	8.38%	4.75	4.13	3.57	(0.63)	(1.18)
Relationship with Equipment Supplier	7.94%	4.50	4.25	4.00	(0.25)	(0.50)
Merchandisability	7.48%	4.25	3.88	3.71	(0.38)	(0.54)
Timeliness and Availability of Parts	7.30%	4.25	3.38	3.71	(0.88)	(0.54)
On-Time Delivery of Equipment	7.28%	4.88	4.38	4.14	(0.50)	(0.73)
Competitive Initial Cost of Equipment	7.24%	4.88	3.63	3.57	(1.25)	(1.30)
Accuracy of Temperature Control	7.08%	4.63	3.50	3.29	(1.13)	(1.34)
Energy Efficiency	7.03%	4.38	4.50	3.71	0.13	(0.66)
Responsiveness and Quality of After-Market Service	7.01%	4.50	3.86	3.86	(0.64)	(0.64)
Aesthetics	6.79%	4.13	3.88	3.57	(0.25)	(0.55)
Ability to Respond to Equipment Lead Time Demands	6.71%	4.75	3.57	3.71	(1.18)	(1.04)
Durability	6.53%	4.50	3.63	4.00	(0.88)	(0.50)
Technology / Product Innovation	6.31%	4.25	4.13	3.57	(0.13)	(0.68)
Ease of Servicing Equipment	6.08%	3.75	3.29	3.29	(0.46)	(0.46)

GAP Analysis

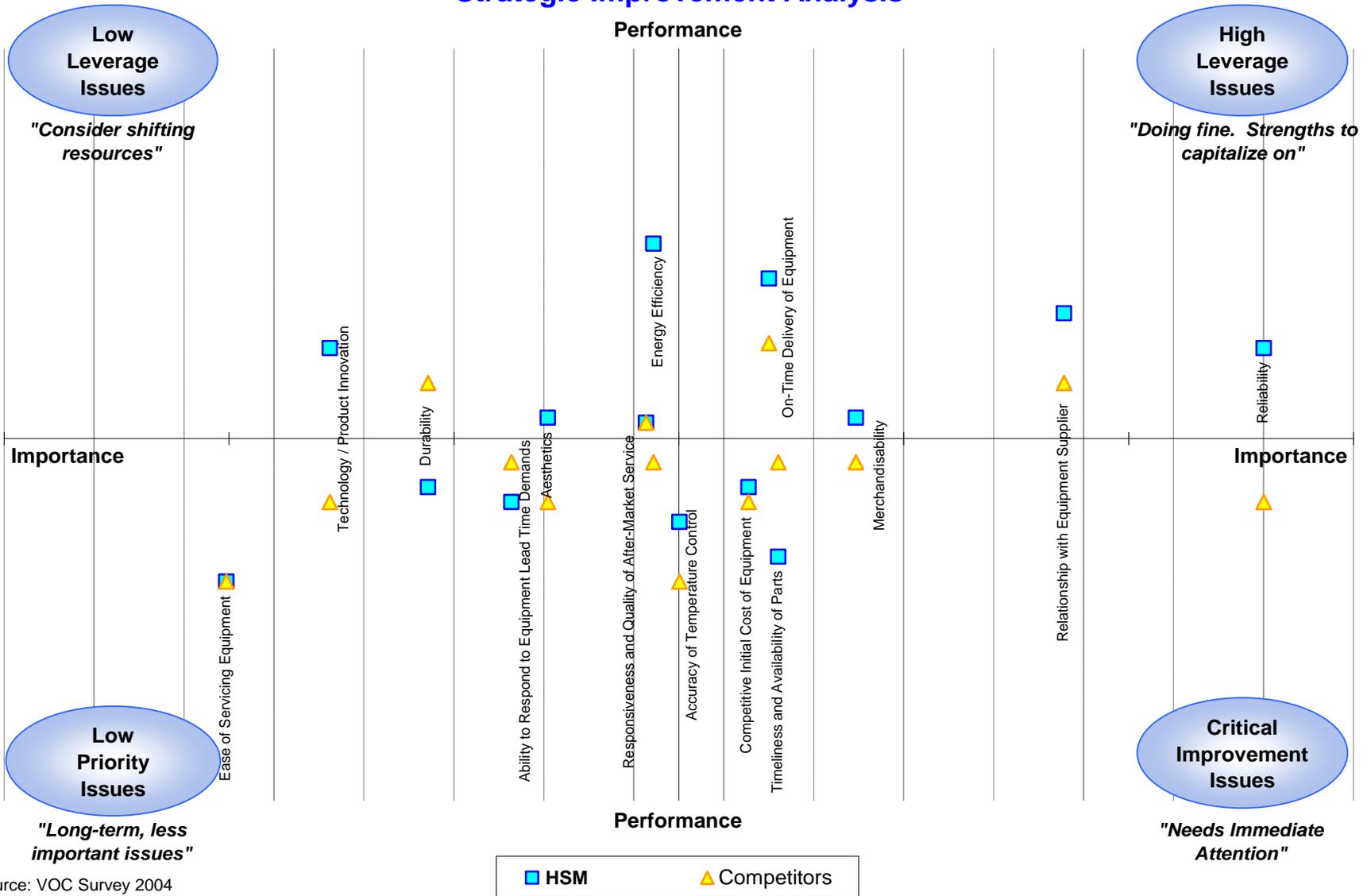
Attribute Expectation/Performance

In order of Importance



Source: VOC Survey 2004

Strategic Improvement Analysis



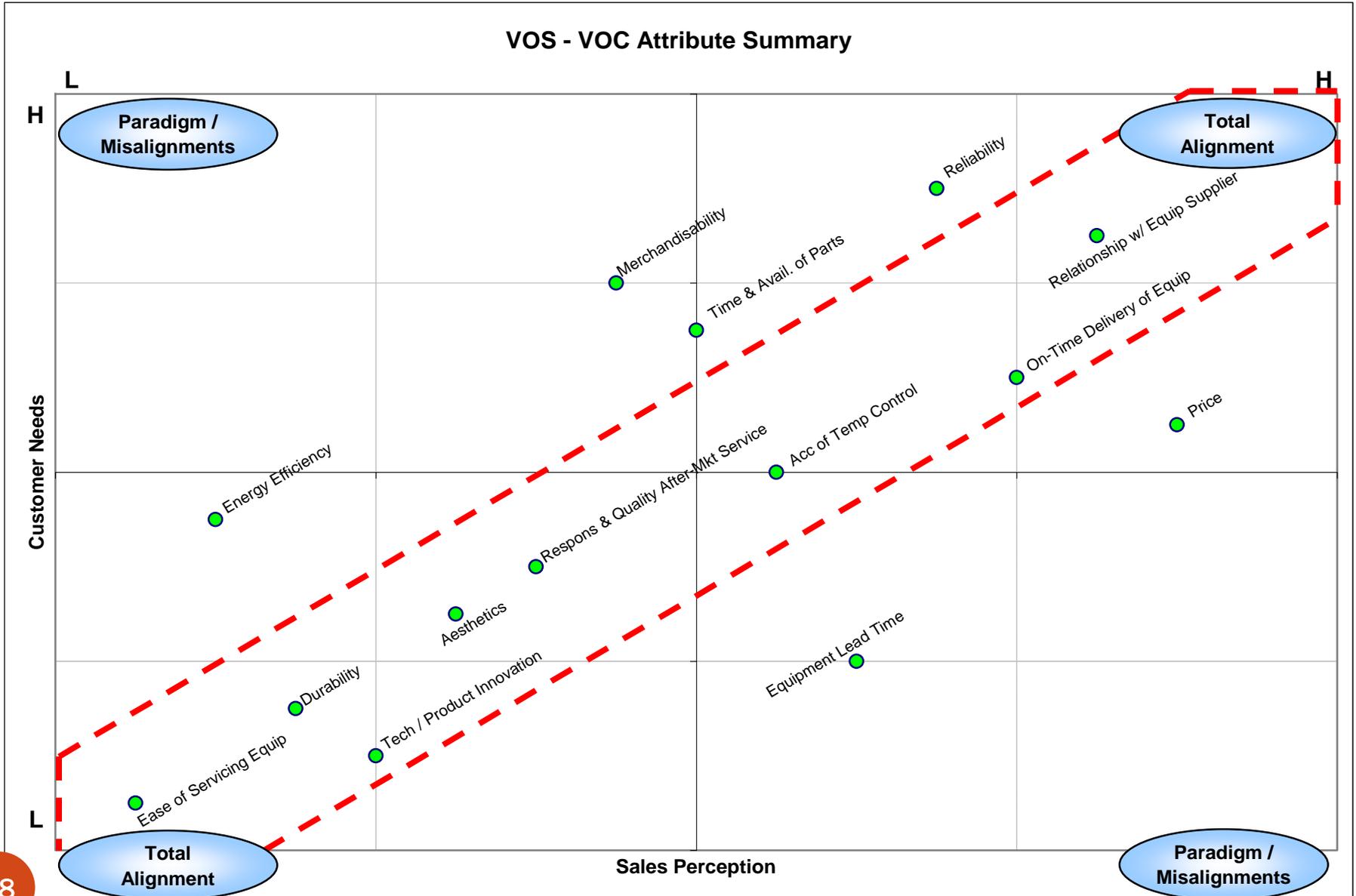
Source: VOC Survey 2004

VOS – VOC Comparison Summary

Attribute	VOS Rank	VOC Rank
Competitive Initial Cost of Equipment	14	9
Relationship with Equipment Supplier	13	13
On-Time Delivery of Equipment	12	10
Reliability	11	14
Ability to Respond to Equip Lead Time	10	4
Accuracy of Temperature Control	9	8
Timeliness and Availability of Parts	8	11
Merchandisability	7	12
Response and Quality of After-Market Service	6	6
Aesthetics	5	5
Technology / Product Innovation	4	2
Durability	3	3
Energy Efficiency	2	7
Ease of Servicing Equipment	1	1

Where: 14 = Most important, 1 = Least Important

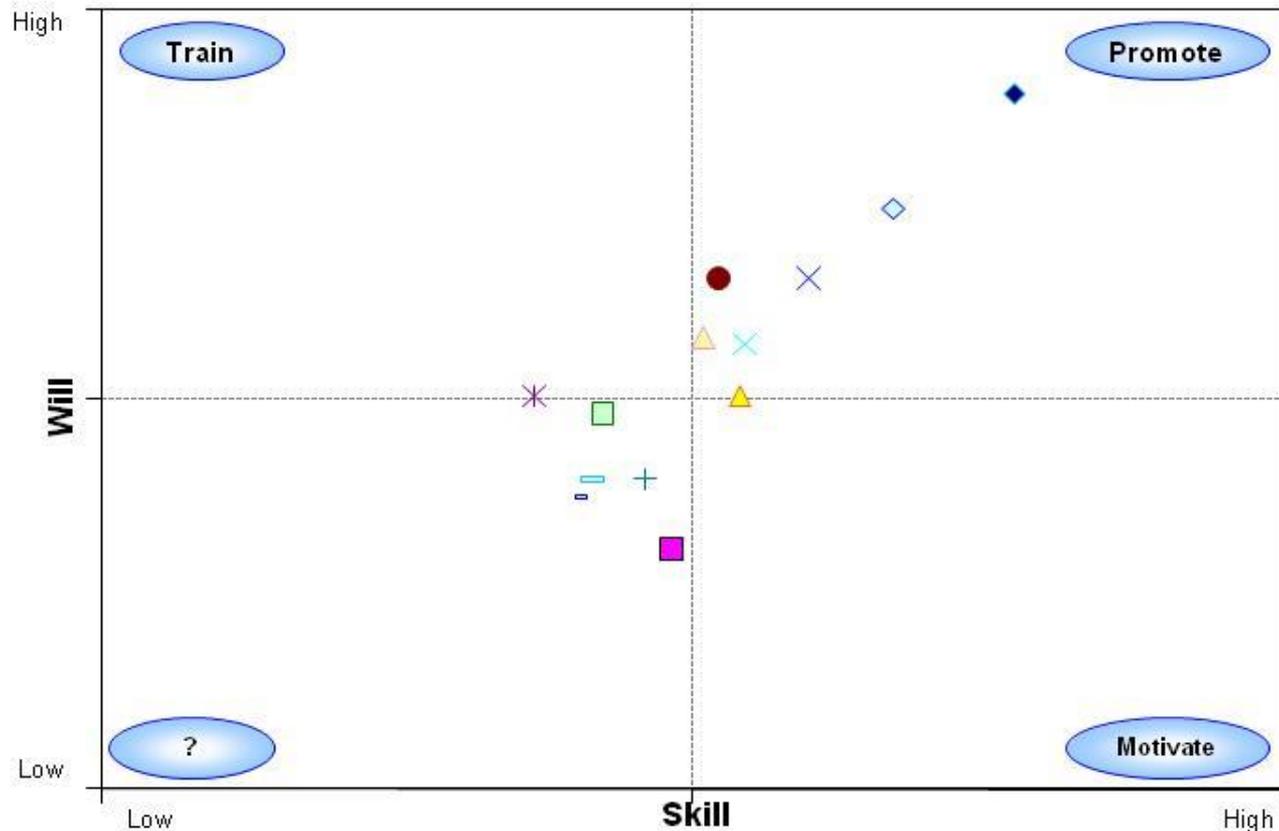
VOS - VOC Summary Analysis



Voice of Sales – VOS

Skill / Will / Demand Analysis

Skill vs. Will

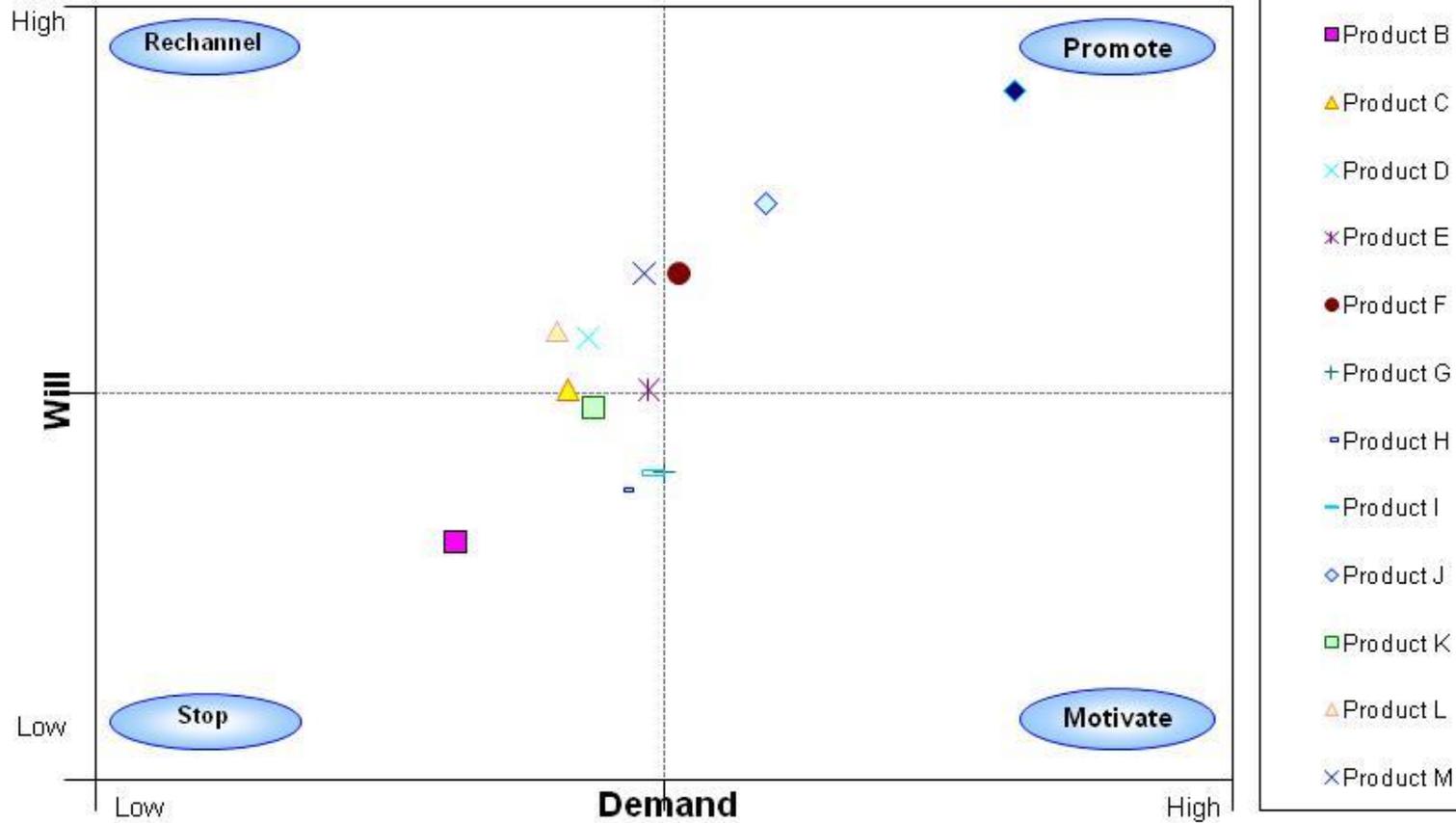


- ◆ Product A
- Product B
- ▲ Product C
- × Product D
- * Product E
- Product F
- + Product G
- Product H
- = Product I
- ◇ Product J
- Product K
- △ Product L
- × Product M

Source: VOS Survey 2003

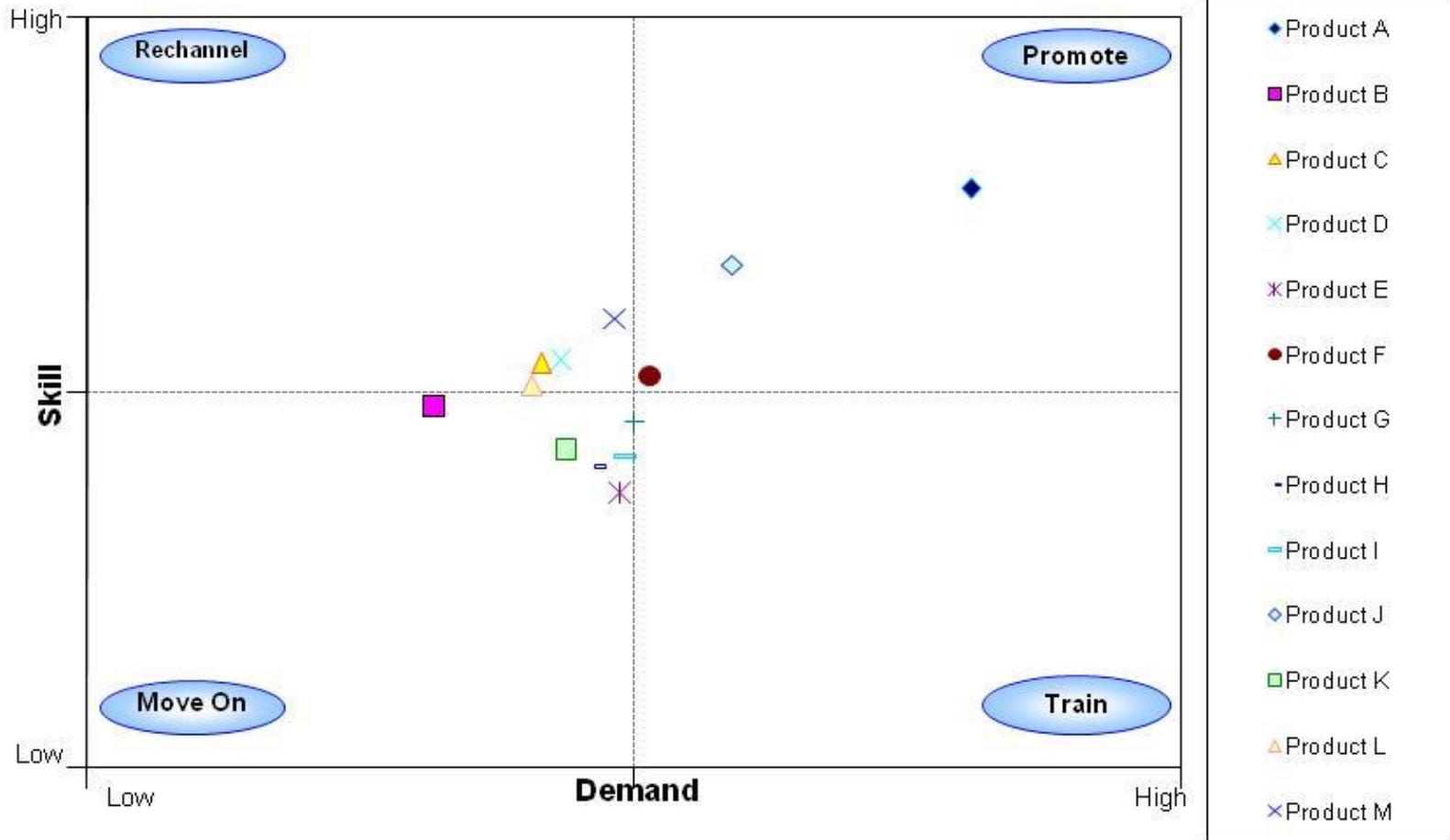
Avg. Demand = 2.95

Demand vs. Will



Source: VOS Survey 2003

Demand vs. Skill



Source: VOS Survey 2003