

THE MANAGEMENT OF THE POSITIONING STRATEGY IN THE SUPPLY OF JOINT-STOCK COMPANIES THAT ACTIVATE IN THE FIELD OF OIL PRODUCTS COMMERCE

Anca PĂCALĂ, doctoral student

University of Oradea, Universitatii Street no.1, phone number 0722/822275, e-mail apacala@uoradea.ro

Ioan Constantin RADA, Ph.D

University of Oradea, Universitatii Street no.1, phone number 1740/048182, e-mail irada@uoradea.ro

Simona Veronica ABRUDAN CACIORA, Ph.D

University of Oradea, Universitatii Street no.1, phone number 0744/241599, e-mail veronicaabrudan@yahoo.com

Abstract: The idea that companies sell “goods” should be replaced with the idea that the objective of companies is to transform a “non-differentiated” product into a “differentiated offer”. “We must know that, no matter how common a product might appear, it should not become a simple, non-differentiated commodity. Each product, or service, can be differentiated”. The specialists draw attention upon the fact there are many ways of differentiating a product, this aspect being partly explained through the reality that customers’ needs are different and consequently they should be interested in different supplies. The difference causes different costs for the company selling oil products, but also certain advantages for the buyer; the company should carefully choose the ways in which it can stand out in front of its competitors, since differences that can be effective if they fulfil certain criteria. These differences should:

- be important and provide some advantages that are more appreciated by a sufficient number of customers;
- be specific for both competitors and the company we deal with;
- be superior to other means of getting the same advantages;
- be communicated to consumers;
- represent an element of novelty and cannot be easily reproduced by competitors
- be accessible, the customer being able to afford paying for them;
- be profitable, being lucrative for the agent.

Section 1. ELABORATING THE POSITIONING STRATEGY FOR OIL PRODUCTS, COMPLEMENTARY OIL PRODUCTS AND L.O.G. CHARGES

The idea that companies sell “goods” should be replaced with the idea that the objective of companies is to transform a “non-differentiated” product into a “differentiated offer”. “We must know that, no matter how common a product might appear, it should not become a simple, non-differentiated commodity. Each product, or service, can be differentiated”. The specialists draw attention upon the fact there are many ways of differentiating a product, this aspect being partly explained through the reality that customers’ needs are different and consequently they should be interested in different supplies. The difference causes different costs for the company selling oil products, but also certain advantages for the buyer; the company should carefully choose the ways in which it can stand out in front of its competitors, since differences that can be effective if they fulfil certain criteria. These differences should:

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Let's start from the premise that the company we focus upon sell all types of petrol and Diesel oil and that the firms that buy these products perceives them as identical, the differentiation being made by price only. In this particular situation, the final customer does not perceive any difference in relation to these products. Realising this, the company we deal with decides to differentiate the characteristics of each product.

The differentiation is the act of designing a set of significant differences, with the aim of making the supply more distinctive than that offered by competitors.

No product is superior to others in all respects: the "premium oil" has the same octane number as the "premium" oil without lead, but causes some damages to vehicles with catalyser; the Diesel oil with a higher concentration of sulphur is meant for a certain category of buyers. Thus, each agent that sells oil products needs a concentrated positioning strategy.

By positioning we understand the act of projecting the offer and the image of the company, so that it occupies a distinctive and considerable place in the eyes of its customers. However, the company needs to decide upon how many products will be positioned.

Section 2. HOW MANY DIFFERENCES SHOULD BE PROMOTED?

The specialists in marketing put forward the view that only one product should be positioned on the target-market; the company should come up with a unique supply for each type of product and focus on this kind of offer. Thus, the petrol without lead is considered an environment-friendly oil, while the Diesel oil with a higher concentration of sulphur ensures a larger functioning cycle for engines. Thus, the agent uses a single positioning message: each product should be defined by a single attribute, due to which the product can be promoted as a "number one product". This happens because customers are inclined to remember such messages.

The word "positioning" has been coined by two specialists working in the advertising business: Al Ries and Jack Trent, who regarded "positioning" as a creative exercise, based on an existing product. They defined positioning in the following way: "Positioning starts with a product, a commodity, a service, a company, an institution or even a person. But positioning has no connection with what you do with that particular product. It refers to the way you act upon the ideas of a potential customer. In other words, you position the product in the mind of the customer".

Some of the qualities that can be promoted as "number one" are: "superior quality", "the best services", "the lowest price", "the best choice", "the most advanced technology", etc. If the agent that sells oil products insists upon some of these attributes and acts in a convincing way towards making it real, it is possible that that attribute can be easily remembered by customers.

The positioning in terms of a single advantage is not always the best choice, since the agents can make use of a type of positioning that insists upon two advantages provided by a certain product. Their intention is to find a niche on the target-segment: for example, the

agent can stand out by promoting two advantages: “the promptest delivery”, “the best transport services”, in the case of oil products - and “the safest” and “the most durable”, for liquefied oil gas cylinders.

There are situations when a successful positioning relies on three advantages: for instance, the agent may promote petrol without lead that is defined by three qualities: it is “environment-friendly”, it helps the engine work at “the highest parameters” and is sold at “the best price”. It is obvious that most customers are interested in all these three advantages. The company selling oil products must convince the customers that the product it offers is really defined by the three attributes. A solution in this respect would be to colour the petrol with green pigments. In this way, the agent can achieve a “counter-segmentation”, which means that its offer can attract three categories of customers, instead of just one. In a period when the market segments become narrower and narrower, the agent needs to extend its positioning strategies, in order to attract more categories of customers.

As the number of advantages associated with a product increases, the agent risks to lose credibility, thus reducing its market positioning. The following positioning errors can be taken into consideration:

1. sub-positioning – the agent realises that many customers have a rather vague idea about a certain product and have no particular interests towards it;
2. over-positioning – the agent realises that many buyers expect more attributes from a particular product than it can really offer;
3. confused positioning – customers can have a confused image concerning the type of product, as a result of the many changes in its positioning;
4. ambiguous positioning – customers find it hard to believe that a particular type of product offers a series of advantages, taking into account the characteristics and the price of the product, as well as the supplier of that particular product.

Solving the positioning problem allows the company that sells oil products to solve the problem of the marketing mix as well – which refers to product, price, distribution, and promotion, relying on tactical details of the positioning strategy. The agent we have in view occupies the “position of superior quality”, and for this reason it should sell products with a superior quality, albeit at higher prices, and distribute the products through its personnel and remarkable intermediaries, and advertise the product in the media the customers have access to. In this way, the company selling oil products can get a superior, persistent and credible image.

There are seven alternatives of positioning strategy:

1. in terms of attributes - the agent can get the reputation of the most important provider of oil products in a certain region, the importance being an attribute that provides a considerable advantage, namely the existence of more supplying possibilities;
2. in terms of advantages – the agent can position itself as the company that has the most distribution centres for power fuels or for liquefied oil gas cylinders;
3. in terms of usage and applicability – the agent can position itself so as to supply all the cities in the region it serves, in order to reduce the delivery time;
4. in terms of user - the agent can create the reputation of seller of oil products for powerful cars;
5. in terms of concurrence – the agent can get the reputation of being able to surpass its competitors, offering a greater variety of products;

6. in terms of product's category - the agent can position itself not only as a "simple distributor of oil products", but also as an "bidder of oil products".

Section 3. COMMUNICATING THE POSITIONING OF THE JOINT-STOCK COMPANY

The agent should not only elaborate a very clear positioning strategy, but also present it in a very efficient way. If we suppose that it chooses the strategy of the "superior quality", it will be communicated by means of signs and common clues.

Examples:

- for the "premium" oil without lead, a green pigment will be used, and for "super plus" oil without lead, a red pigment will be added;
- the liquefied oil gas cylinders will be painted in light blue 5015 and will be distinguished by personalised signs;
- the reservoirs for oil products and the trucks that transport the liquefied oil gas cylinders will be marked with the A.O.R. letters, which indicates a high degree of safety.

The quality of products and services is communicated with the help of other elements as well: the price indicates the quality of the product or the service, its distribution, package, presentation and promotion.

The presentation of quality should represent a whole and positively influence the image of the company selling oil products.

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