

Explaining the Model of Brand Selection and Development with Emphasis on the Role of Positioning Strategy in Yek-o-Yek Food Industries Company

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Abstract

This research aims to explain the pattern of brand selection and development with emphasis on the role of positioning strategy in Yek-o-Yek Food Industries Company. The research method is applicable in terms of purpose with quantitative approach. The statistical population of the research is all customers and consumers of Yek-o-Yek Company products, selected through non-random and available sampling method and 384 people according to Morgan table. The data collection method is a field method using a researcher-made questionnaire. The validity and reliability of the questionnaire were confirmed by construct validity, composite reliability, and Cronbach's alpha, respectively. The results of structural equations with smart pls3 software showed that the role of the creator factors (empowerment and commitment to customers, production capability, brand elements, marketing mix, competitive advantage, service differentiation), brand-oriented strategy (brand performance, brand positioning, brand values, brand perspectives, brand analysis and evaluation), on the outcomes (establishing brand position in the market, maintaining brand position among customers and the market, product and market development, brand promotion), strategies and actions (improving competitive position, market orientation, desirable mental image, intellectuality and strategic thinking of the senior manager) and the contextual condition variable (creating value for post-delivery services, structural prerequisites, integrating knowledge and organizational activities) were also confirmed as mediating variables and intervening condition variables (creating distinctive meanings of the organization's brand, awareness).

Keywords:

Brand development, positioning strategy, brand performance, brand positioning, marketing mix

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Extended Abstract

Introduction

The importance of positioning strategy in the process Brand selection can be viewed from the perspective of creating a sustainable distinction in the consumer's mind; successful positioning not only facilitates consumer choice, but also forms the basis for the development of brand identity and equity in the long term (Xiang et al., 2023). Emphasizing the strategic management and marketing literature, a brand is defined as a strategic intangible asset that creates a sustainable competitive advantage by creating a sustainable distinction in customer perception (Zhao et al., 2021). From the perspective of information economics, brands increase the efficiency of the consumer decision-making process by reducing information asymmetry and reducing search costs. (Dewi et al., 2020) At the organizational level, brand equity creates economic value through various mechanisms, including creating pricing power, increasing price elasticity of demand, and reducing vulnerability to competitors' promotional activities (Bilghihan et al., 2024). This value creation ultimately takes the form of more stable future cash flows and reduced Profit fluctuations and reflects itself in the company's financial statements. In addition, brands act as a defensive shield during periods of economic recession and increase the confidence factor in predicting long-term profitability by maintaining a loyal customer base (Azimi et al., 2021). From this perspective, strategic brand management is considered not as a cost, but as an investment in creating and maintaining dynamic organizational capabilities to create and capture economic value in the long term. Product or brand management is one of the key and important marketing capabilities. Brand plays a central role in marketing and has attracted much attention over the years (Ghorbani dolatabadi et al., 2021).

A brand is a name or symbol used to give identity to a product. In other words; a brand is one of the assets that can create great value for goods and services (Bernarto et al., 2020). Branding, as a complex cognitive-emotional mechanism, provides a fundamental foundation for shaping customer responses and developing effective marketing strategies by creating unique semantic associations between symbols, products and experiences, so that understanding the multiple dimensions of the brand and how they affect the consumer's mind and behavior helps organizations not only allocate their resources more optimally, but also create a lasting competitive advantage by creating sustainable differentiation (Azimi et al., 2021).

Taking advantage of its brand reputation, Yek-o-Yek company uses a brand development strategy to enter new areas and produce goods and services under the same brand name, which On one hand, it leads to the expansion and development of the company and on the other hand, it reduces the risk of brand image. However, this strategy is associated with the risk of damaging the brand image in the eyes of customers, and a wrong choice can reduce the brand equity in general. Therefore, the brand selection and development pattern in Yek-o-Yek Company should be planned with an emphasis on the positioning strategy and taking into account the brand development indicators in order to optimally benefit from its advantages. Considering the merits of the above, the current research seeks to answer the following question: What is the brand selection and development pattern with an emphasis on the role of positioning strategy in Yek-o-Yek Company?

Theoretical foundations

Brand development

Brand development refers to a set of activities and strategies that aim to enhance the value, recognition and loyalty to the brand in the market. The brand, as an intangible asset of the

organization, not only shapes the mental image of consumers, but also plays an important role in purchasing decisions, customer loyalty, and competitive advantage (Merhabi et al., 2021).

Brand Performance

Brand performance indicates the extent to which a brand is successful in achieving its marketing and business objectives and assesses the effectiveness of brand development activities. Brand performance includes several indicators such as brand awareness, brand image, customer loyalty, market share, customer satisfaction, and brand equity. These indicators help an organization measure the impact of marketing and brand positioning strategies on consumer behavior and business success (Mashhadizadeh et al., 2024).

Brand Positioning

Brand positioning is a strategic process that determines how a brand is positioned in the consumer's mind compared to its competitors. The main goal of positioning is to create a distinctive, valuable, and sustainable brand image that customers can easily identify and prefer. This process helps the organization highlight its competitive advantage and align marketing messages with the needs and expectations of the target market (Masoumi et al., 2023).

Haponen et al. (2021) titled "Expectations of Young Job Applicants' Digital Identity in Relation to Corporate Social Media Brand Development Strategies" examined the role of employees' digital image and social media in brand development of SMEs. The research methodology included a literature review and interviews with representatives of recruitment companies. The results showed that growth-oriented companies seek applicants with a prominent personal brand image.

Alshurideh et al. (2022) titled "The Role of Digital Marketing, Corporate Social Responsibility Policy and Green Marketing in Brand Development" examined the impact of digital marketing, CSR policies and green marketing on UK manufacturing companies. This study was quantitative and conducted with a closed questionnaire and a sample size of 404 companies. The results showed that the overall impact of these three factors on brand development was statistically significant and it was recommended that companies focus on environmental information disclosure, green innovation, green alliance and promotional activities.

Research Methodology

In this study, library studies and a systematic review of the research background were used to develop theoretical foundations, which enabled the extraction of a conceptual framework and indicators related to brand positioning and development strategies. To collect field data, a standard questionnaire based on the literature was used; distributed and implemented in the field among customers of the products of Yek-o-Yek company in the Shiraz metropolis. The statistical population of this study consisted of all consumers of the company's products in Shiraz, and the appropriate sample size was determined by the available sampling method and based on the Cochran formula, and questionnaires were distributed among them. The data obtained from the questionnaires were analyzed by statistical software.

Research Findings

The research findings show that brand-creating factors, including brand values, mental image, brand performance, positioning, and perspectives, play an important and effective role in the formation of brand-oriented strategy. This brand-centric strategy, in turn, guides and directs strategies such as strategic thinking, positioning, image enhancement, and market orientation. In addition, the organizational context, including process integration and value creation,

enhances the impact of strategies and facilitates their successful implementation. Finally, intervening strategies and conditions, such as meaning creation and awareness, affect the operational outcomes of the brand, including market development, brand promotion, and brand positioning, and increase brand equity and improve the overall performance of the organization.

Discussion and Conclusion

The research findings show that brand-creating factors, including brand values, performance analysis and evaluation, brand positioning, and vision have a significant impact on brand-centric strategy. These results are consistent with previous studies; for example, the studies of Merhabi et al. (2021) and Xi et al. (2020) also emphasize that values and brand image play a key role in shaping marketing strategies and brand development. However, the present findings show that besides these factors, organizational perspective and analysis also directly influence brand strategies; a topic less addressed in some previous studies. Brand-centric strategy acts as a mediator between the factors that create and strategies and affects components such as strategic thinking, mental image, position improvement, and market orientation. These results are consistent with the results of Haponen et al. (2021) and Bilghihan et al. (2024), which show that brand-centric strategies align the organization's activities with market objectives and create competitive advantage. The main difference in the present study is that more emphasis is placed on the strategic role of brand-centric strategy in guiding a set of strategies and its effects on the brand's operational outcomes.

Furthermore, the findings show that contextual conditions such as integration and value creation have an impact on strategies. This result is consistent with the studies of Zarghami et al. (2022) who state that the internal environment of the organization and resource alignment enhance the success of brand strategies. Compared to previous studies, the present study shows that the role of these contextual conditions is not only facilitating, but also acts as a reinforcing factor in the impact of strategies on brand operational outcomes.

Also, strategies play a decisive role in achieving brand operational outcomes, including market development, brand promotion, and brand positioning. These results are consistent with the research of Lee et al. (2024) and Rezagholizad et al. (2024) who emphasize that effective implementation of strategies creates tangible consequences for business success and brand positioning. The point of difference of this research with previous studies is the examination of the effect of intervening factors such as meaning creation and awareness building, which shows that these conditions can strengthen or moderate the effect of strategies, a topic that has received less attention in previous research.