

The Multiple Benefits of Brands and Features:

Evaluating the Position of Breads on Health, Taste, and Value

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Abstract

We outline a framework outlining how product positioning occurs in a multi-dimensional consideration of brand benefits, whilst accounting for how product features further shape product positioning. Respondents evaluated supermarket breads described by brands and a variety of features (e.g., flour, claims, price). A holistic evaluation was made with respect to health, taste, value and overall preference. A brand's relative position on multiple benefits was derived via a discrete choice model, simultaneously accounting for the impact that product features have on these same dimensions. This allows a direct comparison of the drivers of positioning from a holistic, multi-attribute multi-brand perspective. The results show the strong value that brands have in driving positioning, but also the role of some features in furthering this. The research compliments other frameworks and methods in product positioning, and we outline its extension to benefit segmentation.

Keywords: brand benefits; positioning; discrete choice experiment; attribute importance;

Track: Brand and Brand Management

Introduction

You are purchasing some bread, but feeling like changing from your habitually purchased loaf for some reason (e.g., out-of-stock; variety seeking). You desire something healthy, so consider *Helga's* and any wholemeal options. You rule out *Mighty Soft* inferring that softness implies high sugar content. You judge low GI options and those with no artificial colours as suitably healthy, but bland. You like linseed varieties, but question their texture and value. So, you return your attention to supermarket brands. Seconds have passed. Time to decide.

The decision described outlines a holistic evaluation process, where brands represent different positive and negative values in the mind of the consumers, however, simultaneously product features may compensate or contribute further to shortcomings in valuing overall products. Consistent with a paramorphic representation of compensatory decision making outcomes, the process points to the essential foundation that brand positioning contributes in accomplishing marketing and business objectives (Wind, 1990). Whilst the definition is largely debated, positioning can be defined as the degree to which the target market segment perceives a given product to differ from its competitors on attributes important to the segment (Wind, 1990), and requires a deliberate, proactive, iterative process to achieve this goal (Arnott, 1993). However, Arnott further suggests this requires measurement and modification of consumer perceptions in relation to the "marketable object". In this regard, the importance of how brands affect perceptions in relation to various dimensions is an essential to understanding and developing positioning. Strengthening brand value in this manner offers several competitive advantages, including the ability to command premiums, assist in new product launches, and provide a defence at times of crisis (Novak & Lyman, 1998). The purpose of this paper is to consider how this is achievable in a multi-dimensional consideration of brand benefits, whilst accounting for how product features further shape positioning.

Background and Theoretical Framework

Determining how brands are perceived on various dimensions has used a number of methodological and theoretical frameworks. Green et al. (1985) described the 'typical'

approach to benefit segmentation thirty years ago. They note that even then it is common to collect data on a battery of items such as product-benefit importance, brand perception, usage and user characteristics, which then is analysed using clustering and/or factor analytical techniques to identify segments, followed by multiple-discriminant analysis to further relate segments to other variables (e.g., demographics). Such an example is presented in Orth et al. (2004) who relate brands of craft beers to various utility dimensions including functional, value, social, positive and negative emotional benefits; they then link these to various lifestyle dimensions. Similarly, perceptual mapping or multidimensional scaling has been a particularly useful technique by concurrently combining the benefits of products on a map representation and current product offerings on the same axes (Lee and Liao, 2009). In quadrant analysis and importance-performance analysis, strategic insights can occur by visualising the correlation and disconnections between attribute-importance and brand-performance (e.g., Lynch et al. 1996; Manhas, 2010).

In turn, differences between products and benefits sought to suggest areas for product development (Beane & Ennis, 1987). The specific product attributes should assure the delivery of the desired benefits relating to a brand's positioning (Wind, 1990). In this regard, the relationship between attributes and benefits has also been examined. For example, Vriens & Hofstede (2000) discuss various examples using a means-end chain approach, by which attributes are linked to various benefits, which are then linked to values. Hofstede et al. (1999) shows the value of this using a quantitative approach, called the Association Pattern Technique, using an attribute-benefit and then benefit-value matrix. For example, in this way we can see how various specific attributes of a yoghurt (e.g., organically priced) can impact multiple benefits (e.g., perceptions of good quality and good taste), which in turn impact values such as fun and enjoyment. Such an approach allows marketers to understand which product attributes are perceived by consumers as delivering certain benefits.

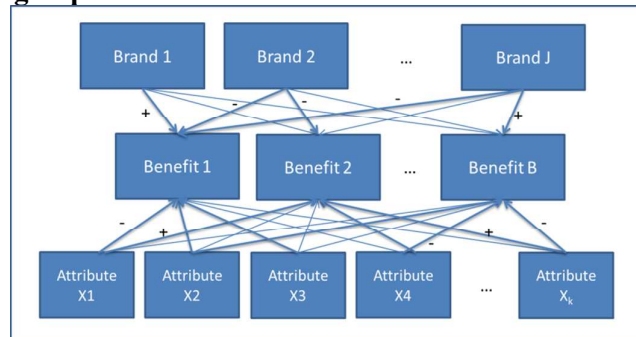
Conjoint analysis has been used in assessing the perceived appropriateness of different brands on various attributes (Green & Srinivasan 1978). For example, Johnson et al. (1991) apply conjoint analysis, asking respondents to rate hypothetical wines varied on price, type, region, and year; the individual part-worths were then subjected to cluster analysis to determine benefit segments (e.g., price-sensitive drinker; popular red branders), which were then matched to various profiling variables (e.g., lifestyle, values, media habits). Related discrete choice models and best-worst scaling also offer value in this regard (e.g., Burke et al. 2010).

As discussed, theoretical and methodological approaches to positioning appear to suggest several competing mechanisms occur. In one sense, marketing efforts are an important driver in positioning the benefits of a brand on a particular benefit. However, a brand may hold a positive position with respect to one benefit, but concurrently may be negatively positioned with respect to another. Product features also communicate benefits about a particular product. As such, the multi-dimensional and multi-causal nature of these relationships are problematic in realising the perceived value of a brand in contributing to a particular positioning. Indeed, Kayande et al. (2007) suggest that incoherence between performances on product features can cause uncertainty and further impact consumer preferences.

In turn, we present a model and experimental approach to product positioning that separately accounts for a brand's multi-dimensional value, and recognises the competing impact that product features may have in a holistic evaluation. The theoretical model is presented in Figure 1. Whilst the model shares similarities to the first means-value relationship in Hofstede et al. (1999) in recognising how product attributes have a variety of impacts on dual

positioning, we further elaborate on how brands may have similar multi-faceted effects.

Figure 1: Competing impact of brands and features on multi-dimensional positioning



The second part of this paper presents an applied realisation of this model using a discrete choice model and experimental approach. To do so, we outline an experiment designed in the context of evaluating how brands and various product features of breads are evaluated by consumers to determine overarching perceptions of products relating to several benefits including healthiness and value, as well as overarching choice. This methodology follows a similar approach to Aubusson et al. (2015), who examine the impact of various features on preferences and benefits in the context of interactive whiteboard use by teachers in school classrooms. The advantage of this approach is that it allows the relationship between product features and brands to be evaluated on the same scale such that trade-offs are not only observed within brands (e.g., *Helga's* is better value for money than *Abbott's*) and within features (e.g., mixed wholegrains are perceived as healthier than mixed grains), but also across brands and across features. This allows a better comparison of the drivers of positioning from a holistic, multi-attribute multi-brand perspective.

Method

In the current context, respondents were asked to evaluate three different types of breads described by brand and a number of features including type of flour (e.g., white, wholemeal), varying advertised claims (e.g., low GI, enriched with Omega 3), seeds, grains, vitamins, minerals, expiry date, size of the loaf, shelf price and unit price. The design of each bread was determined by a completely randomised design as the extent to which the presence of higher order interactions was unknown, although for brevity and parsimony the results presented here focus on main effects. After screening and providing information about prior purchase behaviour in the bread and related categories, respondents nominated the bread product they most preferred and least preferred. After answering related questions about bread purchasing, respondents then viewed the same sets of breads and nominated which breads performed best and worst on a number of dimensions including healthiness, taste, and value for money.

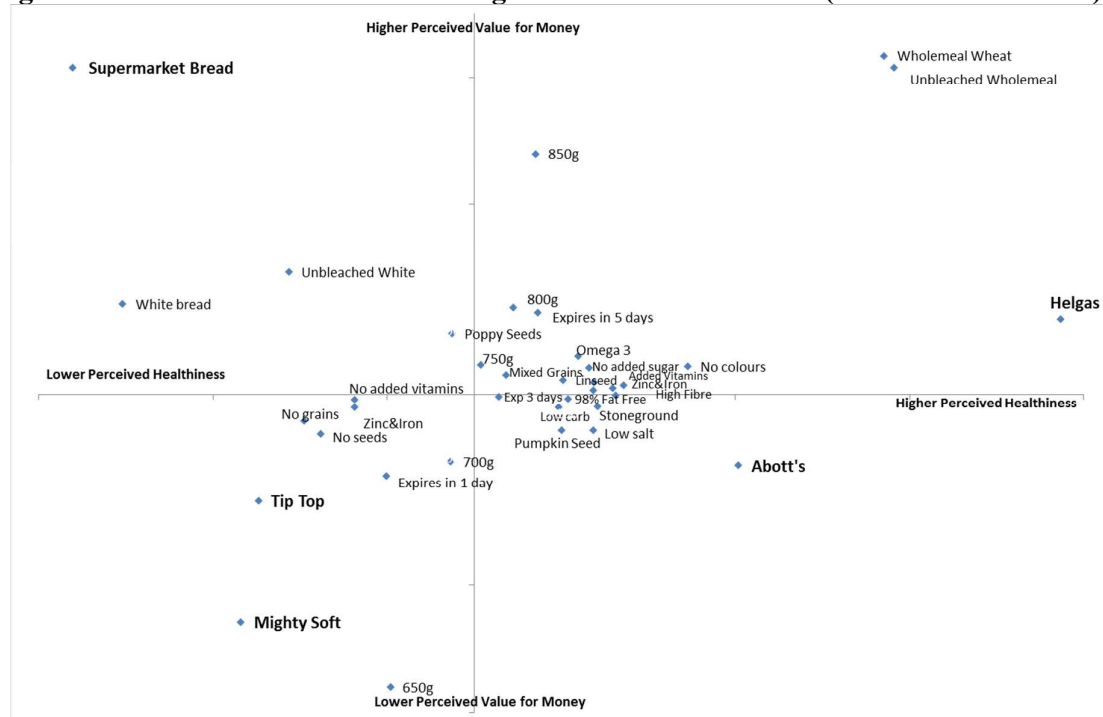
An online survey was conducted using 265 adult grocery shoppers living in the same Australian capital city, who had purchased supermarket bread in the previous fortnight, equally split between genders with an average age of 52 years. Prior purchases were dominated by supermarket varieties (34%) with the remainder dominated by *Helga's* (23%), *Abbott's* (11%) and *TipTop* (10%). Among the 86% of respondents who recalled their chosen most frequently chosen purchase, more than half purchased wholemeal breads (52%) compared to 35% buying white varieties; ten percent regularly purchased unbleached varieties. Having screened out those with essential dietary requirements, including those with yeast allergies, only one percent regularly purchased gluten-free breads. On average, claims such as “high in fibre” and “no artificial colours, flavours or preservatives” were rated more essential than others (5.4 and 5.2 on a 7-point scale), with the claim “gluten free” considered

not at all essential (3.0). 43% had special requirements to consider, either for themselves or family members or both. A single variety was purchased in 54% of households, whilst 38% of households bought two, with 8% purchasing three or more. Around half purchased one loaf (48%) with 1.7 loaves bought on average. 42% of the sample regularly bought breads that listed at a discounted price, with an extracted average discount of 20%, based on the shelf and actual price information amongst respondents who confidently provided this information.

Results

The results of the separate models show the impact of variation in brand and product features on overall preferences for breads and positioning evaluations made in relation to health, taste, and value (see Table 1). The results show the dominance of *Helga's* over other brands overall, but also with respect to healthiness and taste. At the same time, respondents made judgements allowing the relative positioning of bread offerings taking into account product attributes to be determined. For example, wholemeal wheat varieties were preferred overall, and strongly positioned with respect to health, taste and value; white breads were perceived as relatively unhealthy. Respondents indicated gluten free varieties were not able to deliver with respect to health benefits when directly compared to other types of flour, particularly wholemeal, whilst controlling for other factors such as brand and other claims (e.g., low GI, high fibre). Indeed, only four percent of respondents regularly purchased gluten-free varieties. Other claims were more apparent in driving perceptions of health, such as breads that listed no artificial colours, flavours or preservatives as key claims or low Glycaemic Index varieties. However, such breads did not alter perceptions regarding value, and seldom perceived as being tastier. Instead, respondents used other attributes in this judgement (e.g., brand, flour, expiration date). Larger loaves represented better value and a strong determinant of overall choice.

Figure 1: Relative Perceived Positioning of Brands and Features (Value versus Health)



The results can be visualised with respect to any combination of two dimensions. For example, Figure 1 indicates the strong positioning of *Helga's* with respect to health and

supermarket brands with respect to value. It shows the poor positioning of *MightySoft* and *Tip Top* on these same dimensions. The utility derived scale also allows comparisons of the strength of these effects with respect to other factors. As such, the figure demonstrates the strength of wholemeal varieties in also driving product positioning. Given consumers choose products not only based on brands, but also a variety of other product features, this offers essential insights into overall positioning and the relative similarity between the attributes used to describe the products. This graphical representation offers an approach to the results that makes it easier to understand, communicate, and interpret. The results can also be viewed in terms of the importance of each brand or attribute in delivering upon a particular benefit and the importance of this same brand or attribute in determining overall choices.

Discussion and Future Research

The results indicate how product positioning is a multi-dimensional phenomenon from the perspective of consumers, which may warrant attention to the weaknesses of a brand. Much debate has centred on whether brands should concern themselves only on one or two points of differentiation (e.g., Bhat & Reddy 1998). However, the data show that a brand may be adequately perceived relative to others on one dimension, but be undermined by performance on another.

The results also indicate support for strategies of product positioning that must recognise the role of product features as well as brands. This has significant implications for brand managers, particularly those where an entire product line differs with respect to individual features in strengthening a chosen brand position. However, the results lend support to Fuchs & Diamantopoulos (2010), who demonstrate the significant value of benefits-based positioning in outperforming strategies related to feature-based positioning (2010). In line with Vriens & Hostede (2000) and Graeff (1997), the relevance of brands in delivering benefits seem more paramount relative to attributes, which are often identical across brands.

With respect to future research, the results clearly warrant investigation of the potential heterogeneity in terms of identifying underlying segments that differently perceive brands and features on each benefit and their overall preferences. However, the segment-specific results would be similarly approached relative to those insights presented in Table 1 and Figure 1. This would also warrant linking segments back to various socio-demographic, lifestyle or attitudinal variables. Finally, the next step would be to link each benefit to its impact on overall preference, which is also the subject of a working paper (available upon request).

In addition, the potential list of taxonomies underlying positioning strategies is broad and dynamic (Wind, 1990). As outlined in previous literature, brands can position themselves on many dimensions, such as a focus on symbolic or functional aspects (Bhat & Reddy, 1998); relating to usage occasions; manage positioning with respect to price and value (Wind, 1990); or, focus on aiding customer productivity by enabling consumers to do things better, faster or differently (Burton & Easingwood, 2006; Kim & Mauborgne, 2000). For the purposes of this paper, we focused on the role of benefits to a consumer as being an important element in product positioning, however, the approach we discussed may be useful in extending to any number of positioning dimensions of interest to the proactive marketer (Arnott, 1993).

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Table 1: Relative Value of Brand and Product Features by Position Overall and Other Dimensions

Coefficient	Overall preference			Healthiest preference			Tastiest preference			Value for money		
	B	se	t-stat	B	se	t-stat	B	se	t-stat	B	se	t-stat
Brand												
1 Abbott's	0.123	0.058	2.132 **	0.303	0.059	5.143 **	0.257	0.058	4.464 **	-0.111	0.059	-1.874 *
2 Hejgas	0.496	0.055	9.000 **	0.673	0.056	12.134 **	0.547	0.054	10.110 **	0.120	0.058	2.085 **
3 Tip Top	-0.185	0.059	-3.131 **	-0.248	0.060	-4.150 **	-0.214	0.058	-3.663 **	-0.167	0.061	-2.749 **
4 MightySoft	-0.282	0.060	-4.706 **	-0.268	0.060	-4.479 **	-0.096	0.057	-1.672	-0.358	0.062	-5.781 **
5 Supermarket Brand	-0.152	0.057	-2.653 **	-0.461	0.061	-7.578 **	-0.494	0.060	-8.213 **	0.516	0.057	9.058 **
Flour												
1 Wheat (White)	0.029	0.059	0.486	-0.404	0.057	-7.047 **	-0.060	0.057	-1.064	0.143	0.063	2.275 **
2 Wholemeal Wheat	0.537	0.055	9.682 **	0.471	0.056	8.441 **	0.434	0.055	7.935 **	0.534	0.057	9.353 **
3 Unbleached Wheat (White)	0.070	0.056	1.246	-0.213	0.058	-3.664 **	-0.120	0.056	-2.128 **	0.193	0.057	3.363 **
4 Unbleached Wholemeal Wheat	0.362	0.055	6.563 **	0.482	0.056	8.661 **	0.293	0.055	5.365 **	0.516	0.057	9.089 **
5 Gluten Free	-0.997	0.070	-14.298 **	-0.336	0.060	-5.629 **	-0.547	0.061	-8.922 **	-1.387	0.080	-17.308 **
Claims												
1 Traditional Stone milled/Stoneground	0.078	0.045	1.749 *	0.141	0.045	3.117 **	0.106	0.044	2.396 **	-0.019	0.047	-0.399
2 Low GI	0.069	0.045	1.535	0.163	0.045	3.603 **	0.020	0.045	0.457	-0.001	0.046	-0.012
3 High Fibre	0.079	0.044	1.798 *	0.172	0.044	3.878 **	0.130	0.043	3.006 **	0.016	0.046	0.347
4 No added sugar	0.004	0.044	0.081	0.132	0.044	3.013 **	0.030	0.043	0.690	0.042	0.044	0.952
5 Low salt	0.002	0.044	0.054	0.137	0.045	3.074 **	0.037	0.044	0.844	-0.056	0.046	-1.219
6 98% Fat Free	-0.005	0.045	-0.114	0.107	0.046	2.361 **	0.063	0.044	1.430	-0.006	0.046	-0.129
7 Enriched Omega 3	0.043	0.044	0.961	0.120	0.045	2.680 **	0.090	0.044	2.068 **	0.061	0.045	1.343
8 No artificial colours, flavours or preservatives	0.044	0.044	0.983	0.245	0.044	5.581 **	0.122	0.043	2.834 **	0.044	0.045	0.980
9 Low Carb	0.023	0.045	0.514	0.097	0.045	2.152 **	0.071	0.044	1.614	-0.020	0.046	-0.431
Seeds												
1 No seeds	0.052	0.049	1.045	-0.176	0.049	-3.568 **	-0.177	0.048	-3.657 **	-0.062	0.051	-1.213
2 Mixed seeds (with Linseed)	0.059	0.049	1.210	0.102	0.049	2.096 **	0.119	0.048	2.497 **	0.023	0.050	0.448
3 Mixed seeds (with Pumpkin)	-0.067	0.050	-1.338	0.100	0.049	2.025 *	0.089	0.048	1.845 *	-0.057	0.051	-1.102
4 Mixed seeds (with Poppy)	-0.044	0.050	-0.876	-0.026	0.050	-0.515	-0.031	0.049	-0.636	0.096	0.051	1.881 *
Grains												
1 No grains	-0.029	0.040	-0.711	-0.196	0.040	-4.845 **	-0.139	0.040	-3.516 **	-0.042	0.041	-1.011
2 Mixed grains	-0.017	0.040	-0.433	0.037	0.041	0.908	0.041	0.040	1.026	0.032	0.041	0.762
3 Mixed wholegrains	0.046	0.040	1.147	0.159	0.040	3.953 **	0.098	0.040	2.491 **	0.010	0.042	0.248
Vitamins												
1 Thiamin & Folate (B9)	0.031	0.029	1.070	-0.137	0.029	-4.685 **	-0.035	0.028	-1.229	-0.007	0.030	-0.227
2 Thiamin & Folate (B9)+ Niacin (B3), Vitamins E & B6	-0.031	0.029	-1.070	0.137	0.029	4.692 **	0.035	0.028	1.227	0.007	0.030	0.227
Minerals												
1 No minerals	-0.030	0.029	-1.056	-0.138	0.029	-4.765 **	-0.093	0.028	-3.305 **	-0.020	0.030	-0.692
2 Zinc and Iron	0.030	0.029	1.058	0.138	0.029	4.769 **	0.093	0.028	3.301 **	0.020	0.030	0.692
Exp date												
1 Expires 1 day from now	-0.295	0.040	-7.382 **	-0.101	0.040	-2.514 **	-0.123	0.039	-3.131 **	-0.128	0.041	-3.086 **
2 Expires 3 days from now	0.041	0.040	1.025	0.029	0.041	0.705	0.011	0.040	0.286	-0.003	0.042	-0.068
3 Expires 5 days from now	0.254	0.040	6.401 **	0.073	0.040	1.817 *	0.112	0.039	2.865 **	0.130	0.041	3.173 **
Size												
1 650g	-0.124	0.057	-2.192 **	-0.096	0.057	-1.696 *	-0.126	0.056	-2.272 **	-0.460	0.058	-7.953 **
2 700g	-0.157	0.058	-2.718 **	-0.027	0.057	-0.474	0.074	0.056	1.332	-0.105	0.059	-1.777 *
3 750g	0.037	0.056	0.656	0.008	0.056	0.137	-0.047	0.056	-0.843	0.048	0.058	0.824
4 800g	0.032	0.057	0.566	0.045	0.057	0.782	0.074	0.056	1.323	0.137	0.058	2.356 **
5 850g	0.212	0.055	3.830 **	0.071	0.056	1.255	0.025	0.056	0.456	0.380	0.057	6.712 **
Price												
1 \$3.20	0.177	0.050	3.543 **	-0.048	0.050	-0.965	0.036	0.049	0.734	0.381	0.052	7.331 **
2 \$3.40	-0.029	0.049	-0.595	0.089	0.049	1.800 *	0.069	0.048	1.423	0.121	0.050	2.409 **
3 \$3.60	0.010	0.050	0.205	-0.003	0.050	-0.068	-0.082	0.049	-1.659	-0.118	0.052	-2.287 **
4 \$3.80	-0.158	0.051	-3.099 **	-0.037	0.051	-0.734	-0.023	0.049	-0.463	-0.384	0.054	-7.133 **

* - significant at .10 level; ** - significant at .05 level