

ANALYSIS OF THE EFFECTIVENESS BRAND POSITIONING WITH THE IMPORTANCE OF KNOWLEDGE MANAGEMENT

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Abstract:

Companies must, in the present modern times of great changes and requirements, adapt continuously to consumer preferences if they want to remain competitive. In Slovenia, spa tourism represents one of the most stable forms of tourism which makes it even more important to emphasise that the brand makes a company stand out from other competing companies. The big problem is that in the field of health tourism in Slovenia the offer is huge. Thus it is even more important how a company positions its brand on the market. Every company wants the best market position and a competitive offer. Tourist companies seek to highlight its advantage - competitive advantage. One of these tourism businesses is also the company in this study, which in 2000 decided to change its name and brand image. This paper presents the results of the research in which we have analyzed the effectiveness of brand positioning in the eyes of the consumers and managers in the studied company and the importance of knowledge management in this process. Our results confirm the good brand positioning, which the respondents confirmed, slightly lower estimate of the assigned point-brand was received from guests that came from abroad.

Keywords: marketing, brand, brand positioning, knowledge, knowledge management

1. LITERATURE REVIEW

When we talk about knowledge management, we all have in mind the top managers on one hand and use of knowledge with every individual in the organisation on the other hand. One with the other is closely intertwined. The enterprise knowledge management usually means the systematic management and thus rational use of knowledge. It is a great technical and organizational challenge requires the development of appropriate human relations, as well as its effective integration with a wide range of new technological opportunities (Pučko, 1998, p.54).

Knowledge management is very important and a key factor for successful and efficient businesses because of globalization, because of the need for a quick response of companies, due to changes in the market. Knowledge management is required due to customer orientation through the provision of services, mobility of workers and the adoption of modern knowledge in a new way because of the rapid development of technology and competitive matches between firms. For all of the above, the effective use of knowledge is required. (Možina, 2006, p.129). Gomezelj Omerzel (2008, p.39) states that the business world has fully adopted the belief that knowledge has become one of the most strategic resource of the organization, especially a major factor in the competitiveness and performance of the company. Knowledge of the company, therefore, reflects the company's ability to behave differently from competitors, thereby gaining a competitive advantage (Leonard-Barton in Gomezelj Omerzel, 2008, p.63).

Companies want to change consumer's perspective with brand positioning, to lure them on their site, offer them everything they want, and easily become the best in their field. However, all this is not possible without employees and their knowledge, skills and motivation to carry out their work, which can be obtained in a variety of ways. Knowledge management skills will help the company, that the employees will gain even more knowledge and achieve the goals they have set for themselves. "A strong and successful brands are not a matter of chance and luck, they are a reflection of good and systematic work over a longer period of time" (Konečnik Ruzzier, 2011, p.155). For a strong and successful brand the knowledge is necessary, both explicit and tacit knowledge, which the employees have in the company and it is important that this knowledge is transmitted, revealed, covered and used. If we connect all this, we can talk about knowledge management. As Wiig states (Gomezelj Omerzel, Biloslavo in Trnavčevič, 2010, p.13), that the activity of knowledge management is tracking the business strategy, management of intellectual capital, emphasizing personal responsibility, highlighting the organization as a learning organization and systematic concern for the transfer of knowledge to those places where knowledge is most effective when working in accordance with the objectives set. For a successful brand positioning knowledge is very important as Richards, Foster in Morgan suggest (Kozjan and Gomezelj Omerzel, 2012, p.13), in the process of knowledge management about the brand, identifying both with implicit and explicit knowledge, which results in an increase in brand value. From this it can be assumed that it is important that employees have the right skills to help them both in positioning of the brand as well as in other areas of the company (Vukasovič and Barkovič, 2014).

2. RESEARCH DESIGN

2.1. Methodology, data collection and sample

Studied company changed its name and with that its brand in 2000 and afterwards developed, grew extremely rapidly. The main objective was to become the best company in the field of health tourism both at home and abroad. In this study, we studied the responses of consumers - tourists on offer in the studied company and try to determine whether the company is using knowledge management and its relationship with the brand positioning and is the company doing enough to be competitive. The aim of the research is to determine the importance and role of knowledge management in the process of brand positioning of the studied company.

In this study, we studied the problem by quantitative methodology, with a questionnaire. The questionnaire was aimed at consumers - visitors and was prepared in Slovenian, English and German. The questionnaire was physically handed out among visitors in the studied company at different locations (the hotel reception, wellness and swimming pool reception, parking garage, Village Lipa and the tourist train Atomček).

2.2. The research hypotheses

Based on a review of relevant literature and research carried out so far, hypotheses are listed below, that are verifiable in practice and are empirically tested using statistical methods:

H1: Brand Terme Olimia is a well-positioned, both at home and abroad.

H2: An interesting history and offer of the surrounding area contributed to brand positioning.

H3: The company gives strong emphasis on education, training and motivating employees.

3. RESULTS AND DISCUSSION

In the following paper we present the major results of a survey with which we verified our hypothesis.

Tourists from various countries were interviewed. Most were from Slovenia 112 (56 %), there were also tourists from the Netherlands 19 (10 %), Germany 15 (7.5%), Croatia 13 (6.5%), Austria 10 (5%), Belgium 10 (5%), Italy 6 (3%), Serbia 5 (2.5%), Russia 4 (2%), Denmark 3 (2%), Ukraine 2 (1%) and Switzerland, 1 (0.5%).

The survey involved 200 respondents, of which 82 (41.5%) men (M) and 116 (58.5%) women (W), as shown. Two respondents did not submit their gender. In the survey, respondents were from different age groups. In the age group of 18-30 years was 70 (35%) of respondents, of whom 28 (14%) men and 42 (21%) were women, which was also the largest representation, as shown in table 1.

Table 1: Age groups of respondents by gender

Gender	Age group				
	18-30	31-40	41-50	51-60	nad 61
male	28	18	15	13	8
female	42	33	13	18	10
Total	70	51	28	31	18

Source: Barkovič, 2014

Studied company, Terme Olimia, has chosen an interesting slogan "Revitalize your life," by which they want to tell you, that consumers can rejuvenate themselves in Terme Olimia offering consumers everything they need for them to feel good and relax. The company strives to be the best and the most beautiful in all areas, so far successfully, as currently ranked among the top providers in their field, which means they are doing almost everything they can for brand positioning. Less than half of all respondents 93 (46.5%) agreed that the company is well recognized and has good brand positioning in Slovenia, 48 (24%) of the respondents agreed fully, 52 (26%) of respondents agreed partly. Respondents rated the visibility and brand positioning, with an average value of 3.93. The results are shown in Table 2. Arguments were evaluated on a five-point scale, where 1 meant "strongly disagree" and 5 "totally agree". The lowest level of agreement respondents assigned to the claim "Terme Olimia has good visibility and good positioning abroad as well.", with an average of 3.53. The highest level of agreement. However, respondents assigned to the claim "Employees in Terme Olimia are friendly, motivated and trained to do their jobs.", which is an average of 4.49 and what makes the lowest SD (0.69), which means that the respondents answered very uniform. In two assertions, one respondent has not delivered its assessment.

Table 2: The average value and standard deviation of the argument

To what extent do you agree with these statements?	PV	SD	n
Terme Olimia have good visibility and good positioning in Slovenia	3.93	0.79	200
Terme Olimia have good visibility and good positioning abroad as well.	3.53	0.90	199
Modern architectural appearance of buildings attracts large numbers of visitors.	3.99	0.81	200
Modernly decorated Wellness Orhidelia attracts mainly younger couples.	4.00	0.96	199
Wellness Orhidelia has a great influence on the decision of tourists whether they visit Terme Olimia or not.	4.02	0.84	200
Tidiness of the Terme Olimia and the surrounding area contributes to the brand positioning Terme Olimia.	4.23	0.74	200
An interesting history of the surrounding area attracts tourists in Terme Olimia.	3.81	0.99	200
Employees in Terme Olimia are friendly, motivated and trained to perform their work.	4.49	0.69	200
Unspoiled nature and a wide offer of sports activities in the area are of great importance in deciding about what holiday destination to choose.	4.41	0.72	200

Note: PV – average value, SD – standard deviation, n – the number of respondents

Source: Barkovič, 2014

About a third 70 (35%) of the respondents also agreed that the company is well positioned abroad, 30 (15%) were in full agreement, 77 (38.5%) partly agreed, which brought the average value to 3.53. More than half of the respondents 101 (50.5%) believe, that Terme Olimia is very well recognizable in relation to other resorts in Slovenia, 57 (28.5%) had estimated that the visibility is excellent. Based on the results we can confirm H1: "studied company has a well-positioned brand, both at home and abroad".

Terme Olimia located at the site where the city is full of historical sights (from the castle to the monastery, monuments) and rich tourist offer that the provides respondents different sensations. Interesting history surrounding area attracts tourists, 58 (29%) of the respondents are in full agreement of this statement, 69 (34.5%) are in favor, 51 (25.5%), agree in part. 20 (10%) of respondents held, given the diverse surrounding offer, that affected the most, 85 (42.5%) are of the opinion that has much influence, 54 (27%) believe that it has some impact. The surrounding offer factor was estimated by the average value of 4.05. Similarly, the average value was also given to the history surrounding towns factor, which was evaluated with 3.97. 63 (31.5%) of the respondents are of the opinion that this factor has a great influence on the brand positioning, 80 (40%) of respondents believe that has a significant impact, and 45 (22.5%) of respondents think that they have some impact. According to the information obtained we may confirm the hypothesis H2: "An interesting history and varied offer of the surrounding towns has contributed much to the brand positioning. "The educated, motivated and skilled employees are the key to the success of the company. This view is also confirmed in Terme Olimia, because employees are trained both through internal workshops by departments, as well as abroad, for those who need such skills in the workplace. Internal trainings, relying primarily on the training of new employees, which may also be given mentors.

There is a problem of understaffing in this company, as it is quite usual in this type of companies, that is why the company sometimes employs people that are not top experts in their field, but they are trying to lead them on the right track through internal training to become top experts. For motivation and proper performance, the company chosen rewarding system. The most hardworking and conscientious receive higher pay. It is not true that the company is only trying to enable staff to be the best, that is in fact how guests see them, because they claim that employees are friendly, motivated and trained to perform their work evaluated with an average of 4:49, which was the highest score among the allegations, the standard deviation was also the lowest, 0.69. With this statement 117 (58.5%) of respondents fully agreed, 67 (33.5%) were in favor, 13 (6.5%) partly agreed (table 3). Also, the factor that influence on brand positioning, friendly and skilled employees, has been rated with an average rating of 4:45. 109 (54.5%) are of the opinion that the mentioned factor has the greatest impact, 73 (36.5%) felt that it has much impact. Respondents assessed factors on a five-point scale, where 1 meant "minimal impact" and 5 "most affected".

Table 3: The average value and standard deviation for the various factors

What factors affect the visibility and good brand positioning in the industry?	PV	SD	n
A rich spa offer	4.33	0.72	200
Affordable prices	3.99	0.95	200
The diverse surrounding offer	4.05	0.81	200
Landscaped walking and cycling routes	4.07	0.83	199
Advertising	3.80	0.89	200
The healing thermal water	4.13	0.78	199
Kindness and competence of staff	4.45	0.67	200
Modern architectural appearance of the resort	4.10	0.81	198
An interesting history of surrounding area	3.97	0.91	199
Peace and a clean environment	4.54	0.63	200

Note: PV – average value, SD – standard deviation, n – the number of respondents

Source: Barkovič, 2014

Also, the answers of the essay questions were no different. 35 (17.5%) of the respondents replied that they were most satisfied, where 36 (18%) of respondents thought that the main reason for visiting Terme Olimia is professional and friendly staff. From all the data, we can confirm hypothesis H3 "The company gives a strong emphasis on education and motivation of employees."

In the light of all that we see when we visit Terme Olimia we can conclude that the company used a lot of knowledge and skills to create such a successful company. The research has shown that the company is using a lot of knowledge of management tools in brand positioning by using mechanisms for knowledge discovering with socialization (brainstorming, joint implementation of projects and cooperation between the departments, the introduction of new employees), the mechanisms for knowledge discovery with a combination (participation in problem solving, joint decision-making, participation in creating documents), mechanisms for capturing knowledge with internalisation (learning by doing, workplace training, one on one meetings), mechanisms for capturing knowledge with externalization (development of models or prototypes of good practice), mechanisms for capturing knowledge socialization (participation in communities of knowledge, a meeting of experts and interested people help users use knowledge tools and knowledge management tools, implementation of tracking meetings at various successful or less successful activities, habituation of new employees on ways of working in the company, observing the behavior of participants in the enterprise, informal gathering with coffee, mentoring), mechanisms for knowledge exchange to disseminate knowledge (publication of various reports, publications, regulations, publications, paper publications, presentations of organizational strategies), mechanisms for using knowledge, enabling routines (organizational policies, work practices, standards). They also use external experts that advise them on the development and investment.

4. CONCLUSIONS

Since the brand is the most important part of the company, both in the eyes of employees, as well as end consumers, planning is even more important. It is not enough that a company creates a brand and offers it to the market, it is important that it gets close to the customers and more importantly, that consumers remain loyal. The company must make an effort to donate its identity to the trademark, that the brand of a company is something unique, high in quality and that the quality that is offered is given to the end consumers. Companies need to prove and improve continually in this modern times, to withstand competition in the market. Based on the results of the research we propose possible solutions to the enterprise for improvements in brand positioning and building the knowledge base of employees.

The study, which was conducted among both domestic as well as foreign consumers, we find that the company has actually found a suitable slogan "Revitalize your life", as it includes everything that the consumer actually needs. Thus, peace and unspoiled nature, rich offer in the field of wellness services, friendly and skilled employees, disposable regulated facilities and surroundings. All this certainly affects the good brand positioning, which the respondents confirmed, slightly lower estimate of the assigned point-brand was abroad, which may be the reason that domestic consumers are not familiar with the situation abroad or trade mark is not positioned well. That the company will work out

the positioning abroad, the employees knowledge is necessary, which are key factors of current state of the company its visibility and positioning. It is necessary, for the employees to use knowledge management systems to cover, discover, share and use knowledge.

The company has all the attributes to be able to meet its objectives, it has a modern appearance, exceptional spa services and a variety of other activities, both within the company as well as in the surrounding area. The advantage is due to its location in the unspoiled nature, clean environment and fascinating history of the surroundings. They also have a well-maintained walking and biking trails and a wide range of sporting activities. This research shows that this is exactly what tourist like and that is also the reason they are returning to the resort. We have also found that these factors have a significant impact on brand positioning. The friendly and knowledgeable staff is also perceived as having a strong Influence on brand positioning. In the light of all the information obtained we should not be surprised about the outcome of this research, as the company seeks to employ professional staff, but if they can not recruit the right staff, is trying to train existing workers, that they are on the right path to become as professional as they can in their work field. The company is aware of the importance of knowledge management and its importance for the brand positioning. They use a large number of knowledge management mechanisms, thus helping the company to lead the way to its vision to set goals and along the way take into account the entire company's mission.

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