Tzvetelina Borisova

PhD student

University of Agribusiness and Rural Development, Plovdiv, Bulgaria

Corresponding author:

e-mail: cvetelinaborisova67@gmail.com

ORCID: https://orcid.org/0009-0001-2735-105X

Published First Online:

20.12.2024

Pages: 268-282

DOI: https://doi.org/10.37075/JOMSA.2024.2.09

THEORETICAL ASPECTS OF THE STRATEGIC POSITIONING OF FINANCIAL PRODUCTS FOR THE NEEDS OF FARMERS

ABSTRACT

The positioning ideology in the presented theory is based on the study of various determinants creating loyal demand for the company's product. Of course, the theory has evolved by now, but the idea remains unchanged, namely creating user addictions. This requires the followers of the theory, as well as all researchers of the problem, to connect positioning with the science of personality psychology. Today, thanks to internet connectivity, smart mobile devices and the Internet of Things, positioning is done by creating complex patterns of consumer behavior for goods and services. If in the 80s of the last century, the market was perceived as a set of separate groups of consumers (market segments) with similar needs, then today the individual is perceived as a separate market, as a set of needs that are graded and prioritized differently.

KEYWORDS: Positioning, Financial products, Financial needs, Farmers, Strategy for positioning

JEL: M21, Q13, Q22, R11

INTRODUCTION

Positioning theory came to light with the publication of Jack Trout and Al Rees' book "Positioning: The Battle for Your Mind" published in 1980. The main idea that its authors defend is that positioning is primarily a psychological process of influencing and creating dependence when imposing products on the market. A successful product is one without which the customer cannot imagine his life. The purpose of the theory is to present basic principles, following which enable companies to get customers addicted to their product. Creating psychological dependencies is a strong trump card in the game of being competitive long term in the market. The positioning ideology in the presented theory is based on the study of various determinants creating loyal demand for the company's product. Of course, the theory has evolved by now, but the idea remains unchanged, namely creating user addictions. This requires the followers of the theory, as well as all researchers of the problem, to connect positioning with the science of personality psychology. Today, thanks to internet connectivity, smart mobile devices and the Internet of Things, positioning is done by creating complex patterns of consumer behavior for goods and services. If in the 80s of the last century, the market was perceived as a set of separate groups of consumers (market segments) with similar needs, then today the individual is perceived as a separate market, as a set of needs that are graded and prioritized differently.

1. WHAT DOES IT MEAN "POSITIONING"?

Positioning is an integral part of the marketing approach of business model management. In recent years, positioning has been recognized as a core marketing function that must be performed to achieve sustainable competitive advantages in the marketplace. One of the main proponents of the idea of the leading role of positioning is P. Drucker (2001), who comes to the conclusion that in order to achieve a competitive business model, management needs to perform mainly two functions - namely, positioning and innovation activity.

The positioning relates to the implementation of specific actions to present the product or service to a specific target market or audience. It is the final stage in the process of segmentation and selection of a target segment in a specific market. As a result of the positioning, the optional market segments and the directions of product differentiation finally become clear. For example, a passenger car manufacturer may bet on the long service life of its cars, while its competitor may bet on their economy - a typical example of positioning on a single product advantage. In practice, positioning can be carried out according to two, three or more advantages of the product. For example, Aquafresh toothpaste - three advantages: fight against caries, fresh breath, and teeth whitening.

In marketing theory, there is a great abundance of definitions and different descriptions of the nature of positioning. The following definitions are most common:

- "Positioning is the art of shaping a brand's image in the imagination of a target audience so that it differs from competitors' brands, using both real and imagined brand characteristics" (Brooksbank, 1994),;

- "Positioning is a presentation of the product emphasizing its main characteristics, compared to those of competing products" (Pramod, 2019);

- "Positioning is a type of competitive and consumer-oriented offer, with the aim of distinguishing the product or service, its name and brand, compared to that of the competition" (Davis, 2008);

- "Positioning is the creation of an appropriate image of the product, among consumers of selected market segments, achieved through the most appropriate combination of marketing strategies and programs" (Gul, 2021)

Positioning can be interpreted in three main ways: as a strategy, a concept or a set of practices. J. Lamben qualifies it as "a process of developing a certain project and spreading information about its existence among the interested public" (Ambler, 2001). F. Kotler, identifies it as the strategy and more precisely "a set of activities defined to recognize a company/product by the target audience" (Kothler, 2006). Doyle, P. characterizes it as "a marketing activity that aims to select target segments within the market whose characteristics predetermine the subsequent actions of the company" (Doyle, 2003). Luneva and Malygina (2010) approach the positioning strategy as "a vector of marketing actions that help emphasize the desired boundaries and maintain the company's market position". The definitions of positioning discussed so far suggest that some general characteristics of positioning as a strategy can be deduced, namely:

- Positioning reflects the value of the business or goods to the target audience (target segment) through a targeted program of activities;
- Through positioning, the target audience (market segment) to be affected by the company's marketing communications is identified;
- Positioning is always oriented towards providing a competitive advantage to the goods and services that the company offers;
- Positioning defines a set of marketing tools to influence the target audience and achieve a predetermined goal;
- Positioning is a predefined set of coordinated actions of marketing managers to motivate customers to buy the company's product.

Another group of researchers of the problem, connect the positioning with a psychological process of creating dependence. Trout (2007) emphasizes that this phenomenon is a "targeted operation on the minds of potential consumers". In turn, Krevens (2003) defines the concept of positioning as "making a unique offer of the company to satisfy the identified needs of customers". Landrevi et al. (2006) emphasize that positioning "allows the formation of a value proposition of the company, its goods and services, predetermined by the specific expectations and needs of the target segments within the orientation towards achieving the company's goals.". The main ideas of the considered concepts of the authors above gravitate around the understanding that the correct identification and understanding of the individual stages of the positioning and differentiation of the company's products from other products present in the market are a key factor for success in the market.

Based on the literature analysis, we can summarize that the positioning process focuses on the deeper adaptation of the company's offered goods and services to the specific needs of the target market. This is done in a different way than competitive product positioning.

From the perspective of positioning as a set of activities performed by the company (Landrevi et al., 2006) approach the positioning in the context of the general policy of interaction of the business with its users, their impact on their company and the products offered. According to this interpretation of positioning, it is most clearly related to market segmentation, identifying and differentiating the target audience. When marketing activities are carried out, certain positioning measures aimed at determining the company's position in the market are applied. In this regard Rice & Trout (2007) "emphasize that segmentation is an integral part of positioning and is necessary for the advertising message to be effective in contacting the specified audience" (Amble, 2001). On the other hand, the author analyzes the essence of positioning by linking "its implementation through the components of the marketing mix, as well as the use of a set of marketing tools to formulate and demonstrate the benefits (real and imaginary in the mind of the target audience), as thus ensuring successful competition.

In practice, the conceptual approach of perceiving positioning as a strategy and/or set of marketing tools is not always correct and justified. The implementation of the strategy, however, is based on a certain concept, and the strategic decisions become a reality, through the realization of certain stages, and through the application of various marketing tools. For this reason, seeing "positioning" as a simple phenomenon is a misnomer. Therefore, a number of researchers believe that this concept should not be presented as a concept, strategy or set of specific marketing operations. Arnott (2014) notes that "positioning should be seen as an attempt by a particular company to adjust consumer perception of its product offerings (trademarks) in relation to other competitive offerings.". In this definition, the researcher defines positioning as "a deliberate, active, and repetitive process".

All these definitions allow us to summarize that, in fact, positioning is the process of formulating and creating an image of a product so that it takes a permanent place in the minds of customers. Customers define the product as extremely special and vital, and cannot imagine the alternative of not being able to consume it.

To gain strong market positions, based on the results of the positioning of their products, the organizations separate the characteristics of the products and the marketing activity, which can positively differentiate their products from those of the competing organizations, i.e. they differentiate their products. Where different types of differentiation can be used for different markets and products. This defines differentiation as a fundamental approach, a tool for effective product positioning in today's market conditions.

2. WHAT DOES IT MEAN “DIFFERENTIATION”?

Differentiation is a fundamental approach in creating a positioning strategy. This can also be defined as an idea, a vision for market development. In this context, differentiation is a process of distinguishing the company's product from those of the competition.

Positioning is the final stage of the target market development process and is key to achieving market success. The main idea of positioning is that the products of competing companies should be different from each other. Davari (2021) offers three generic strategies for positioning products in the market. They are the following:

Product excellence. The product is unique. This is the best option for a company. With it, the company's product is the only one on the market that has a specific characteristic. Nowadays, the implementation of this strategy is limited by accelerated technological development and technology transfer, and also by greater opportunities to access specific resources.

Product differentiation. The product is different. The product must have one or more product characteristics that differentiate it from competitors in the given product category. This strategy gives the company opportunities to offer product benefits according to market segmentation and to convince consumers that this product meets their needs.

Product parity. The company's product is similar to that of competitors. In this strategy, the product has no significant and tangible differences, therefore consumer preferences are directed towards the product with a lower price and the one that is available at the moment. Following such a strategy, the company is vulnerable, due to the lack of consumer loyalty to the brand and the possibility of it being replaced by another.

Positioning theory says that a product must differentiate itself from its competitors in some meaningful way in the minds of consumers. Simply advertising the benefits of the product that competitors also offer has not been effective, even if the advertising campaign is massive and aggressive. It is not enough for a firm to tell potential consumers that its product is better than that of competitors on any of the product features or benefits that are important to consumers. It is necessary for the company to find a vacant position in the minds of consumers and offer a unique approach to the struggle for consumer attention.

Another view of the company's offering is presented by Kotler (2002), which considers four levels of competition based on the degree of product substitution:

- ***Brand competition.*** The company perceives as competitive only similar products and those at similar prices, i.e. a specific need is met.

- ***Industry competition.*** The company perceives its competitors, stepping on a wider base. These are all companies producing the same product or class of products.

- ***Competition of form.*** The company perceives an even wider range of companies as competitors. These are all products that satisfy the same need, not a need.

- ***Gender competition.*** The company perceives its competition in an even broader sense. Its generic competitors are all firms that compete for the paying demand of the same consumers. Often this competition is underestimated, but it has an important place in consumer choice due to the fact that the choice of one alternative deprives us of the opportunity to utilize the other possible ones.

Analyzing the competition from the point of view of its different levels enables the company to choose a positioning strategy according not only to the current situation, but also to possible changes and more general trends that determine the dynamics of the competition.

In order to achieve successful positioning, every company needs to differentiate its products from those of competitors. Differentiation is the process of "creating tangible and intangible differences in one or more of the product characteristics that distinguish it from its main competitors (Andonov, 2014). This is the stage where the product must be prepared for positioning in the consumer's mind. At this stage, marketing managers must decide how the product will be different from its competitors and how it will be similar to them. In this way, to a large extent, the foundations of the future positioning of the product/brand are laid, since the predetermined characteristics of the product (points of differentiation and points of uniformity) depend on how and where in relation to its competitors the product will be positioned. And also how successfully the brand will be able to defend its positions against its main competitors, as well as against newly introduced substitute products" (Andonov, 2014).

Once the competitive framework in relation to positioning is established by defining the target market and the type of competitive structure in the market, marketers can outline the appropriate points of uniformity and differentiation for their products.

The points of uniformity, can be defined as attributes that are not necessarily unique to a company's product. These attributes may also be shared by other competing products. These attributes come in two main forms – category and competition (Baack, 2015). Category-related points of similarity are associations that consumers perceive as significant to refer a product to a particular product category. In other words, these are necessary but not sufficient conditions for consumer choice. The points of uniformity in a given product category in the market may evolve and change as a result of the technological development of the industry or as a result of a change in consumer behavior in the future. It is necessary to note that achieving points of uniformity on the attributes of the product prioritized by the consumer is an important condition for success in the market. As an example of such points, the following product attributes can be defined - product design, type of packaging, quantity, product insurance. For a product to be successful in the market, it is necessary that it succeeds in achieving the same or similar evaluations (compared to direct competitors) in the minds of customers regarding its main product characteristics. Under these conditions, the company's product will have the opportunity to realize superiority, or an advantage in other product characteristics, where competing products are distinguished as weak or unsatisfactory.

In order for a company and its product to achieve points of commonality regarding a specific feature or customer benefit, it is necessary for "a large number of consumers to believe that this product meets their specific requirements" (Gulf, 2021). In marketing positioning theory, there is the term "zone of tolerance or acceptance" (Udriyahet al., 2019), in which the points of uniformity of the product that is positioned on the market should fall. Customers need to feel that the offered product combines well enough all the important features and benefits for its users. For example, when customers are looking for an investment loan, the grace period and the expectation that the loan can be repaid with a flexible repayment plan are of primary importance to them. If competing credit products offer the same terms, then, ceteris paribus, consumers will make their choice based on other credit product-specific features and benefits.

The points of differentiation are features or benefits that customers often associate with a particular product. "These are positive evaluations and attitudes that customers cannot find in the same way with competing products in the same product category" (Sahi et al., 2018). These distinct and conscious associations with a product that define points of differentiation can be linked to customer perceptions of any product feature or utility. In the credit market, such points of differentiation can be, for example, the guarantee of the lowest interest rates, the possibility of refinancing the loan or the change in the repayment period of the principal on a loan received. The creation of clearly expressed positive associations to a given product, i.e. creating points of differentiation is a critical success factor for marketers because these actions are important for effective competitive positioning of the product in the market. Positioning of a financial product

According to the Ayres Press Glossary of Advertising Terms (Andonov, 2014) positioning is "the art and science of fitting a product or service to one or more segments of the target market so that it is perceived as significantly different from its competitors". Roger Kerin and team write: “Product positioning refers to the place an offer occupies in the minds of consumers based on important features and relative to competing offers” (Andonov, 2014). Also interesting is the definition given by Gary Lilian and team: "Positioning is a set of strategies that a company develops to differentiate its offer in the minds of consumers from the target market. Positioning is successful if the offer wins a distinct, important and sustainable position in the minds of consumers from the target market” (Andonov, 2014). Michael Porter's definition of strategic positioning is also interesting, which states: "Strategic positioning aims to build a sustainable competitive advantage by preserving the company's distinctive features. This can be done by doing different activities than competitors or by doing the same activities in a different way" (Andonov, 2014). Based on the above, S. Andonov summarizes the following definition in a synthesized form: "Positioning is the place that the brand occupies in the minds of consumers against the background of already positioned brands of the same product category and based on the type and intensity of associations with brand" (Andonov, 2014).

Fromthe analysis of all these definitions of the positioning we come to the conclusion that in order for sales to be successful in commercial bathrooms, it is necessary to build a specific image of the financial product. This can be achieved by using a variety of marketing tools and techniques to be coordinated with each other in a single positioning strategy.

3. WHAT IS A FINANCIAL PRODUCT?

A financial product has all the inherent characteristics of a product in the holistic sense of the term used in marketing theory. This means that the financial product has value and satisfies a well-defined market need. "Financial products are a fundamental element of the financial system and provide an opportunity to borrow money or capital from consumers, businesses and other organizations" (Petrov, 1996). They play a key role in the economy, supporting business development, investment, education and consumption.

"A financial product is a financial instrument that allows a borrower to receive money from a lender with terms and repayment terms agreed in advance between the two participants." It is "the way banks and financial institutions make money available to their customers" (Adamov, 2012).

"A financial product is an expression resulting from a person's desire to distribute, store and increase money" (American Literacy Council, 2008). It is a product that is associated with the need of the person (the consumer) to develop his cash flows in the direction he desires. The financial product is associated with money, as a universal means of payment in modern society. Financial theory developed as a theory gravitating around the idea that "finance is a universal human creation" (Adamov, 2012). Through them, the essence of the logical sequence in the movement and management of money is revealed. They are primarily a monetary phenomenon. Finance is a consequence of the existence of money, presupposes money and enables economic agents to collect, store and spend their money.

From all the considered definitions of the essence of finance and the financial product, it can be summarized that this "economic category" is multi-layered. A financial product from the point of view of market supply is an instrument for providing a monetary resource to those who seek one in the market. From the point of view of demand, the financial product is a value and/or an opportunity to attract cash for the implementation of a certain consumer alternative.

Based on the theory of marketing, we can summarize and provide the following definition of the financial product: it is a value that gives a precisely defined utility to the consumer who wishes to satisfy his need for a financial resource. It is necessary to add that the financial product is an expression of a person's desire to increase his well-being under limited resource conditions. In economic theory, the thesis is advocated that the resources for organizing any production are objectively limited (limited), which determines a natural aspiration of the entrepreneur to look for the most favorable alternative for financing his entrepreneurial activity (his business model).

4. SPECIFICITY OF AGRICULTURAL HOLDINGS AS USERS OF FINANCIAL PRODUCTS

Agriculture, like any other business, needs financial resources for its development. When formulating a strategy for positioning financial products for the needs of agriculture, it is necessary to take into account the specific features of agricultural holdings, such as business structures. It should be noted that agricultural holdings have the following special features in terms of financing their activity:

- Due to the participation of living biological organisms in the production process, a "clear seasonality of agricultural production" is observed (Tsoneva, 2001). This seasonality reflects and determines unevenness in the cash flows in and out of the agricultural holding. Seasonal production is a prerequisite for instability in the farm's cash flow, which is determined by the fact that the agricultural holding has the opportunity to generate income for one to two months in a year. These are the months during which the agricultural produce is collected and sold in the market. On the other hand, the expense cash flow is stable in value and monthly during the business year. Every day and month of the year, the farmer incurs expenses ensuring the production of agricultural produce. The uneven income from activity in the agricultural holding and the uniform expenses determine the difficult management of the profit in the agricultural sector and the financial vulnerability of the agricultural holding;
- In agriculture, a relatively slower return on invested capital is observed compared to other types of economic activities, other things being equal. This phenomenon is again determined by the participation of living biological organisms in the production process. Under our natural and climatic conditions, in most cases (with the exception of some branches such as animal breeding and greenhouse production) in agriculture, one harvest is obtained per year. This determines the possibility for the farmer to organize and complete only one production cycle per year, i.e. invested funds can be returned in the best option once a year;
- Depending on the chosen specialization, there are branches of agriculture where the period of realization of the investment and the creation of productive biological assets is very long. An emblematic example is the walnut plantation. In the case of the degeneration of a walnut massif, the period of implementation of the investment can reach up to 10 years. During these years, the farmer only incurs expenses without having the opportunity to realize income, due to the fact that the walnut begins to bear fruit only after 7 years, and peak productivity reaches one after 10 years. In investment theory, this time interval required for the degeneration and exploitation of the biological asset (the walnut plantation) is called the "capital freezing period". The longer this period is, the more the investment's redemption period will increase. In the presented example, it can be seen that the income is closely dependent on the productivity of the

walnut plantation, i.e. in reality, the revenue curve follows the productivity curve of the biological asset and it has the shape of a "stretched bell";

- Due to the longer capital freeze period and significantly higher financial vulnerability, agricultural entrepreneurs are more conservative in terms of realizing their investment intentions, i.e. they refrain and hardly decide to resort to crediting their activity;
- In agriculture, the so-called "paradox in the agricultural sector" effect is observed. This paradox consists in the fact that under favorable natural and climatic conditions for the development of agriculture during the economic year, the market price of the agricultural product may collapse and lead to the risk of bankruptcies. This is due to the reaction of market forces to climate changes, namely surpluses begin to accumulate on the market, which can lead to a drop in the market price of agricultural production, given a relatively stable demand. Respectively, the opposite regularity is also present, namely, in unfavorable natural and climatic conditions for agriculture, the market price increases, other things being equal, due to the formation of a market deficit;
- Farms produce and sell products that are part of food commodities that have inelastic demand. This means that these products satisfy the basic needs of consumers and with a smooth increase in the market price, their consumption does not decrease;
- Due to the above-mentioned features and due to the fact that agriculture is a branch of strategic importance for the EU and our country, agricultural holdings in our country are intensively supported financially, namely through subsidies and financial support for their investment costs. This determines the possibility of these business structures being drivers of the regional development of rural areas in Bulgaria;
- In many rural areas in our country, agriculture is the only source of income and alternative employment for the population. This means that agriculture is extremely important for the development of social structures in these areas;
- Agriculture is an "open-ground plant" (Koprivlenski, 1999) i.e. agricultural holdings suffer systemic risks from the occurrence of adverse climatic phenomena, which threaten not only their physical integrity, but also lower their financial viability.
- Agriculture is still characterized by "unattractive working conditions" (Doichinova, Y, 2003). Despite digitization and innovations, the farmer still works under harsh working conditions, which is one of the main obstacles for the entry of the young generation of entrepreneurs. This factor also determines the relatively lower degree of inheritance of this type of business.
- Agriculture is one of the main industries that directly exerts increasing pressure on the environment. Agricultural holdings use more and more non-renewable natural resources, which poses great challenges to their future development. The latest trends in the EU economy and in the political ambitions of European politicians are pushing the European farmer to develop his farm using the principles of the circular bioeconomy. This means that farmers need to make additional costly investments in their farms to enable the transition from a linear production method to a circular one.

- In agriculture, there are productions that require "substantial investments in agricultural machinery and equipment that are not used daily in the production activity" (Lins, 1989). For example, such investments are needed in the purchase of combine harvesters and powerful multi-functional tractors, and in today's conditions, robotic technologies and drones, which require large initial investments in their ownership and in their operation in agriculture. These machines are not used monthly, but only a few days a month, which determines their lower workload. Some of them quickly become morally obsolete and depreciate when their production capabilities are not fully utilized;
- A characteristic feature of agriculture is that "with very narrow specialization of the agricultural holding, it achieves a high level of fixed costs in production."(Borisov, 2012). This is another of the big challenges farmers face in managing cash flow on their farms.
- Production requires large areas of land. Land as a factor of production is one of the "critical factors limiting the growth of agriculture" (Zhdanin, V. D., 2000) In recent years, thanks to generous subsidies in the industry, there are areas of Bulgaria where land is an extremely valuable and sought-after resource, which determines a high price for purchase or rent. Under these conditions, farms whose specialization is based on extensive production encounter difficulties in financing their activities.

All these specific features of agrarian business determine and require entrepreneurs in the sector to have good knowledge of financing the activity in the sector, as well as to be ready to quickly adapt the farm to all the requirements of the business environment, which is characterized as very complex, variable, with a high degree of turbulence. Agricultural financing needs to be aligned with the above factors, as financing organizations, if they want to successfully position their financial products, allow the farm to be resilient and adaptable to changes. In the table below, we have defined the main requirements for financial products that commercial banks need to consider when formulating and following their positioning strategy.

Table1. Specific features of the economy and requirements (factors) that commercial banks need to consider in their positioning strategies

<table>
<tr><th>Specific features of agriculture</th><th>Requirements for the offered financial product</th></tr>
<tr><td>Seasonality of production and revenue</td><td rowspan="3">Flexible loan repayment schemes, taking into account the seasonality of production</td></tr>
<tr><td>Stability of spending cash flow</td></tr>
<tr><td>Harder profit management</td></tr>
<tr><td>Slower ROI</td><td rowspan="2">Long financing grace period</td></tr>
<tr><td>Long period of capital freeze</td></tr>
<tr><td>Clearly expressed conservatism for making investments</td><td rowspan="3">Attractive interest rates and offering additional value to the customer</td></tr>
<tr><td>A high risk accompanies the organization of business processes</td></tr>
<tr><td>Sole source of income in rural areas</td></tr>
<tr><td>Financially unstable structures</td><td rowspan="3">Flexible conditions for securing the granted financing</td></tr>
<tr><td>High initial investment costs, which are a barrier to entering the industry</td></tr>
<tr><td>Fixed costs are high and take time to optimize</td></tr>
<tr><td>Possibilities to subsidize production</td><td>Offering additional value to the customer in financing (e.g. consulting and assistance)</td></tr>
</table>

Source: Own.

Bearing in mind all these specific features of agricultural holdings, commercial banks need to distinguish the needs of farmers from those of other entrepreneurs if their positioning strategies are to be successful.

5. FINANCIAL PRODUCT POSITIONING STRATEGY – THEORETICAL ASPECTS AND PERCEPTION

The positioning strategy is considered as a comprehensive approach to managing the income from the sale of the financial products of the commercial banks in financing the needs of the agricultural holdings in our country. Therefore, we believe that the positioning strategy is a reliable tool for managing the sales of financial products, and it is important to understand how this tool of strategic management works.

According to (Borisov et al., 2009) "the term strategy has an ancient Greek origin and means the ability to organize military actions in such a way that the war is won. It is a system of scientific knowledge about the phenomena and regularities of war as a struggle. It appears to be the main constituent part of the art of war, and embraces the theory and practice of securing the military safety of the state."

"The modern interpretation of the word is borrowed from game theory, where it is defined as a plan of action in a specific situation, depending on the action of the opponent. In any game in which competitors are directly opposed to each other, victory usually goes to the one who can think, plan and play better than his opponent. Therefore, strategy is a way of thinking and planning leading to playing better than one's opponent in order to achieve victory." (Borisov et al.., 2009)

The positioning strategy shows how "the management of the bank wants the buyers to perceive the given product" (Saravani et al., 2015). Choosing a positioning strategy is key to achieving sustainable market positions.

Position can be fundamental to the customer's perceptions and subsequent decisions. Also, after all the elements of the marketing programof the commercial bank can potentially affect the position, it is usually necessary to use a positioning strategy as a focus for developing a marketing program. A clear positioning strategy can ensure that the elements of the marketing program will be successfully implemented. Choosing a positioning concept is an important first step in a planned positioning strategy. Positioning strategy is "a combination of the actions of the commercial bank's marketing mix, which is expected to fulfill its task - to make buyers satisfied." (Mwaiwa et al., 2022)

Another group of researchers of the problem connects the positioning with the brand of the commercial bank. The positioning strategy is "***a type of marketing strategy that focuses on differentiating a brand from its competitors***. The purpose of positioning strategy is to influence consumer perception by effectively communicating the brand's competitive advantage (Devlin et al., 2018)."

Gul et al. (2021) point out "that in addition to investing to discover how their product/service can bring value, banks must clearly define their positioning strategy as well as the value proposition of any solution. That is why effective positioning strategies take into account the bank's strengths and weaknesses, customer needs and competitors' claims".

Another part of the authors of scientific publications concerning the nature and strategic management of positioning indicate that this is the final stage of the commercial bank's marketing strategy. These researchers link segmentation and positioning into a common sales management process and approach. A vivid representative of this theory is Kotler, who once established "that segmentation, targeting and positioning are successive stages of a single process" (Laforet, 2010). Segmentation is the process of identifying “the potential users for a particular financial product or service, researching the most effective basis for describing the users, and developing a description of the segment(s) (Kotler & Keller, 2008; Hooley et al., 2008)”. Then comes the targeting stage, which consists of “evaluating and selecting the most attractive segment(s) from the list of users or segment groups previously identified (Hooley et al., 2008)”. Finally, with a clearly defined target market, positioning can proceed. "Positioning is the act of designing a commercial bank's offering and image so that segmentation and brand positioning can occupy a distinctive place in the minds of the target market (Kotler & Keller)". Successful positioning means that "the target market understands the brand values, uses the bank, buys the product or service it offers, primarily because of the brand values associated with it, and is loyal to that brand. (Laforet, 2010, Kotler & Keller, 2008). Ries & Trout (1982, cited in Hooley et al. 2008, p. 209) emphasize that “... positioning is what the bank seeks to manipulate in the mind of the potential customer”.

Hooley et al. further add that the segmentation and positioning stages are "a mutually integrated process in which a manager must evaluate the positioning strategies of his competitors and compare them with that of his own company to decide whether the current positioning strategy is the most "the good one". Consumers make their choices based on comparison (Kapferer, 2001), therefore "it is important for a commercial bank to position itself in the market". A strong brand image could provide the basis for differentiation and positioning not only of the product (Aaker, 1991) but also of the entire bank (Fombrun, 1996).

The table below summarizes the main aspects of the definitions discussed so far for what constitutes a strategy for positioning financial products. On the basis of the studied definitions, the main inherent characteristics of the positioning strategy, as a subject of research, have been determined. A connection is made between the analyzed definitions and other theories, with a view to entering in depth about the semantic essence of the concept.

Table2. Essence of positioning strategy

Definitions	Immanent characteristic (function) of the positioning strategy	Relation of strategic positioning theory to other theories
A plan of action in a specific situation, depending on the action of the opponent	Matching function	The Art of War Theory
It shows how "the management of the bank wants the buyers to perceive the given product	Psychological insight; Customer perception	Psychology, behavioral theory
A key factor in achieving sustainable market positions.	A source of competitive advantage	The theory of competitiveness
A combination of the actions of the commercial bank's marketing mix, which is expected to fulfill its task - to make customers satisfied.	Part of the marketing mix	Marketing theory of management
A type of marketing strategy that focuses on differentiating a brand from its competitors	Distinguishing function	Marketing theory of management
Analysis of the bank's strengths and weaknesses, customer needs and competitors' claims	Comparison function; A tool for analyzing market positions	The theory of competitiveness
The final stage of the commercial bank's marketing strategy	Marketing implementation phase	Marketing theory of management
Segmentation, targeting and positioning are successive stages of a process	Sequential stage of a process	The theory of STP-marketing
Positioning is the act of designing the offering and image of the commercial bank so that the segmentation and positioning of the brand occupy a distinctive place in the mind of the target market	A creative process to create an image in the user's mind	Branding theory (branding)
Positioning is what the bank seeks to manipulate in the mind of the potential customer	A tool for psychological impact	Psychology, behavioral theory

Source: Own.

All the considered definitions, as well as the determined characteristics of the positioning strategy, give us the reason to summarize and give our interpretation of the understanding of what the concept of "strategy for positioning financial products" is, namely:

- ***The strategy of positioning financial products by commercial banks can be defined as a way, a way, even an art, of the marketing managers working in them to create financial value or to exploit value already so created in a way that enables them to satisfy the needs of customers, and through this process to create sustainable competitive positions in the market.***

CONCLUSIONS

As a result of the theoretical analysis, the following conclusions and generalizations can be made regarding the conceptual apparatus that will be used in the compilation of the methodology of the dissertation research, and in the interpretation of the data obtained from the conducted survey:

- All these definitions allow us to summarize that, in fact, positioning is the process of formulating and creating an image of a product so that it takes a permanent place in the minds of customers. Customers define the product as extremely special and vital, and cannot imagine the alternative of not being able to consume it.

- Differentiation is a fundamental approach to creating a positioning strategy. It is the basis of the process and represents an approach to distinguish the financial product of the commercial bank from those of the competition. This approach is a process of identifying the appropriate points of commonality and differentiation of the financial products offered by commercial banks. These points of similarity are actually associations that consumers perceive as significant to assign a product to a particular product category. Points of differentiation represent positive evaluations and attitudes that customers cannot find in the same way with competing products in the same product category

From all the considered definitions of the essence of finance and the financial product, it can be summarized that this "economic category" is multi-layered. A financial product from the point of view of market supply is an instrument for providing a monetary resource to those who seek one in the market. From the point of view of demand, the financial product is a value and/or an opportunity to attract money for the implementation of a certain consumer alternative. Based on the theory of marketing, we can summarize and provide the following definition of the financial product: it is a value that gives a precisely defined utility to the consumer who wishes to satisfy his need for a financial resource. Agricultural financing needs to be aligned with the above factors, as financing organizations, if they want to successfully position their financial products, allow the farm to be resilient and adaptable to changes.

REFERENCES

Aaker, DA (1991), Managing Brand Equity, The Free Press, New York, NY.

Adamov, V. and coll. Finance. ABAGAR Publishing House, Veliko Tarnovo, 2012.

Ambler T. Practical marketing / ed. of Y. N. Catch-are. St. Petersburg, 2001, pp. 125-130.

American Literacy Council. 2008. Brief History of the American Literacy Council.http://www.americanliteracy.com(Accessed on September 26, 2008). An Asian Perspective, Prentice Hall, Singapore

Andonov, St., Marketing positioning. East west. 2014, p 30 cited by Lilien, GL, A. Rangaswamy, A. De Bruyn. Principles of marketing engineering. Trafford publishing. 2007

Arnott DC,Easingwood CJ Positioning in services and hypothetical typology of competitive bases. In: 23rd EMAC Conference Proceedings, 2014, Vol. 1, pp. 1-3.

Borisov, P. T. Radev. Business planning. Short course. "Letera" Publishing House, Plovdiv, 2009, 214 p.

Borisov, P., T. Radev. Investment regulations in viticulture. "Beloprint" Publishing House, Pazardzhik, 2012, p. 120. /Monograph/ ISBN 978-954-684-451-4

Brooksbank, R.(1994), "The Anatomy of Marketing Positioning Strategy",Marketing Intelligence & Planning, Vol. 12 no. 4, pp. 10-14.https://doi.org/10.1108/02634509410060695

Daniel W. Baack, Rick T. Wilson, Maria M. van Dessel, Charles H. Patti, Advertising to businesses: Does creativity matter? Industrial Marketing Management, Volume 55, 2016, Pages 169-177, ISSN 0019-8501,

Devlin, JF, Ennew, CT, & Mirza, M. (2018). Organizational positioning in retail financial services. Journal of Marketing Management, 11(1-3), 119-132

Doichinova, Yu. Economy and management of the family farm. Ed. Valdi, Sofia. 2003.

Donna F. Davis, Susan L. Golicic, Adam J. Marquardt, (2008). Branding a B2B service: Does a brand differentiate a logistics service provider? Industrial Marketing Management, Volume 37, Issue 2, 2008, Pages 218-227, ISSN 0019-8501, https://doi.org/10.1016/j.indmarman.2007.02.003.

Doyle P. Marketing management and strategies. 3rd ed. SPb., 2003.

Drucker, P. The Practice of Management. Classics and Style, 2001

Fombrun, C. (1996), Reputation: Realizing Value from the Corporate Image, Harvard Business

Gul, RF, Liu, D., Jamil, K. et al. Linkages between market orientation and brand performance with positioning strategies of significant fashion apparels in Pakistan. Fash Text 8, 37 (2021). https://doi.org/10.1186/s40691-021-00254-9

Hooley, G., Piercy, NF and Nicolaud, B. (2008), Marketing Strategy and Competitive https://doi.org/10.1016/j.indmarman.2015.10.001 Ibid., p. 15

Iyer, P.,Davari, A.,Srivastava, S.andPaswan, AK (2021), "Market orientation, brand management processes and brand performance",Journal of Product & Brand Management, Vol. 30 no. 2, pp. 197 214.https://doi.org/10.1108/JPBM-08-2019-2530

Kapferer, NJ (2001), Reinventing the Brand, Kogan Page, London.

Kotler Ph. Marketing management. SPb.: Peter, 2006, pp. 48-51.

Kotler Ph. Marketing Moves, HBS press, 2002

Kotler, P. and Keller, KL (2008), Marketing Management, 13th ed., Prentice Hall, Upper Saddle

Kotler, P., Keller, KL, Ang, SW, Leong, SM and Tan, CT (2009), Marketing Management:

Lendrevie J., Levy J., Lindon D., Mercator. Theory and practice of marketing: in 2 vols. M., 2006. Vol. 2, pp. 47-50

Lins, D. Farm management: How to achieve your farm business goals. Washington. 1989. p. 191

Mwaiwa, F., Kwasira, J., Boit, R., & Chelule, J. (2022). Agent Banking and Sustainable Competitive Advantage for Commercial Banks in Kenya. European Journal of Accounting, Auditing and Finance Research, 10(4), 36-51

Petrov, V. Methods for analysis of the agricultural enterprise. Edition of SA "D. A. Tsenov", Svishtov, 1996.

Pramod Iyer, Arezoo Davari, Mohammadali Zolfagharian, Audhesh Paswan, (2019) Market orientation, positioning strategy and brand performance, Industrial Marketing Management, Volume 81, 2019, Pages 16-29, ISSN 0019-8501, https://doi.org /10.1016/j.indmarman.2018.11.004.

Rangaswamy, A. De Bruyn. Principles of marketing engineering. Trafford publishing. 2007

River, NJ. Sahi, GK, Gupta, MC, & Lonial, SC (2018). Relating strategic market orientation and market performance: Role of customer value types. Journal of Strategic Marketing, 26(4), 318–338.

Saravani, Z., Tash, M. N. S., & Mahmodpour, K. (2015). Evaluation of bank market share and its affective determinants: Sepah Bank. International Research Journal of Applied and Basic Sciences, 9(7), 1003-1009.

Trout D., Rice E. Positioning: battle for hearts and minds. SPb., 2007.

Tsoneva, M. Agrarian policy. Ed. Trakia M, Sofia. 2001. p. 14.

Udriyah, U., Tham, J., & Azam, S. (2019). The effects of market orientation and innovation on competitive advantage and business performance of textile SMEs. Management Science Letters, 9(9), 1419–1428.

Zhdanin, V. D. Development management of enterprises on the basis of increasing ego competitiveness. Abstract, Nizhny Novogorod. 2000.