

Research Article

FACTORS CONTRIBUTING TO IMPROVEMENT OF COMPETITIVE POSITION OF A PRODUCTION UNIT FROM CUSTOMERS' POINT OF VIEW

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ABSTRACT

The purpose of this paper is to investigate and discover the factors contributing to improvement of competitive position of a production unit in market. With respect to method, it is survey/ correlative and with respect to goal, it is applied. Statistical population includes 392 customers of a production unit who are selected randomly. To collect data, questionnaire and to determine its stability, Cronbach alpha are used. To analyze data, multivariate regression is used. Research revealed that variables such as personnel differentiation, imagination, services, packing and advertisement contribute to improvement of competitive position of the production unit in market.

Keywords: *Competitive Position, Competitive Position Improvement, Customer, Production Unit*

INTRODUCTION

Success of a product in a target market depends upon how it is fitted into the market or in other words, what position it takes in market. In simpler words, it can be said that position of a product represents the vision of consumer regarding important characteristics of a product. Customer's mind is engaged in a set of visions and beliefs. Therefore, to facilitate the process of purchase, they often classify products in their mind and assign them to a specific position (Saedi and Firouzian, 2006). Today's' economic institutions intend to make communications with each of their valuable customers so that a part of their competitive force is allocated to attract, maintain and stabilize their relationship with customers. In a market dependent economy, institutions always compete each other to attract more customers and hence, they always concentrate on each other's behaviors and take appropriate actions to achieve success. As a result, competition leads to best performance of institutions, production of highest quality product and providing services with lowest cost (Jafari and Tajik, 2011).

Doyle, defines the strategy of position finding as the method of choosing a part of target market in which there are customers having various demands and explains their performance beside competitors. This definition also shows that position finding strategy covers three interrelated sub-elements; that is customers, competitors and competitive advantages. Recognition of these sub-elements within marketing strategy, provides an image from market and internal environment and moves the company toward a part of the market in which it is stronger. Furthermore, this issue enabled company to recognize strengths, weaknesses, opportunities and threats (SWOT) and allows them to meet customers' needs better than competitors or at least similar to them (Brookes Bank, Roger, 1994).

According to above, customer plays a vital role in improvement of competitive position of a production unit and therefore, the main question of current research is determination of the level of factors contributing to improvement of competitive position of a production unit from customers' point of view.

Relationship-based Marketing

It refers to maintaining customers and developing relationships and making it more attractive for customers (Fontenot and Heiman, 2004).

Relationship-based marketing is to understand and manage relationships with customers and suppliers (Shelby et al., 2006).

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According to Morgan and Haunt (1994), this type of marketing implies to all marketing activities in line with establishment, development and maintenance of useful transactions and finally Grugrus (1996), relationship-based marketing is to recognize, maintain and improve relationship with customers and other beneficiaries so that the interests of all participants is respected.

According to Grugrus, accepting relationship-based marketing makes considerable changes in company structure and method of interactions. He introduces eight elements of relationship-based marketing as follows:

1. Marketing variables and resources: in relationship-based marketing, company is not able to predict the set of variables varying in marketing. Instead, it must utilize its resources in accordance with its relationships with customers so that it can lead to customers' satisfaction and make value for them.
2. Product: in relationship-based marketing, company may not rely upon a prefabricated product, but it must develop its resources such as personnel, technology and so on and provide a system which provides services for customers through optimal management of resources during growing relationship with customers leading to customers' satisfaction.
3. Organizational structure: in relationship-based marketing, marketing cannot be a separate organizational unit, but, marketing knowledge must extend throughout the organization although marketing experts are responsible of their traditional duties such as consultation with top managers in decision making.
4. Outsourcing: implementation of relationship-based marketing must be outsourced in companies and be performed by part-time marketing experts. In this regard, company must ensure performing marketing duties with customer-based vision by these experts.
5. Marketing planning: in relationship-based marketing, planning may not be as traditional marketing planning but there must be a customer-based understanding.
6. Considering customers individually: in this type of marketing, marketing decisions and activities may not be based on traditions classifications of market, but choosing customers and providing services for them must be based on customers database and data analysis.
7. Information resources: in relationship-based marketing, companies get their required information through face to face relationships of sale personnel with customers.
8. Communication vision: for relationship-based marketing to be successful in an organization, it is necessary to replace marketing term with other titles which are more suitable for customers (Grunges, 1999).

Benefits of Relationship-based Marketing

Relationship-based marketing provides competitive advantage for companies through following ways:

- Establishing relationships with important commercial partners
- Vertical merging which can turn into exclusive deals
- Corporation with competitors (Fontenot and Heiman, 2004)

Filip Selznick was the first who introduced term of "competitive advantage" in 1957. Competitive advantage is a factor or combination of factors which makes an organization more successful than rivals and others cannot imitate it easily.

Therefore, to achieve competitive advantage, an organization must take its external position as well as internal capabilities into consideration. The most important characteristic of a competitive advantage is its durability, invulnerability and value (Anton, 2000).

Competitive advantage introduces a powerful tool which is required by strategist for understanding and improvement of competitive advantage of a company. Analysis of value chain provides managers with an opportunity to separate their company's activities in the field of production, marketing and distribution of products and services.

Using Porter's value chain, we can represent following axes: factor of making value and diversity for customer, recognition and improvement of company's competitive position, classification of industry into various divisions, recognition of potential threats of an industry and so on (Krishna, 2009).

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Dimensions of Competitive Advantage

Concept of competitive advantage refers to an excellence arising from certain abilities or combination of abilities compared to competitors. The most significant characteristics of it are its durability, invulnerability and value. Dimensions of competitive advantage are shown below (Anton, 2000).

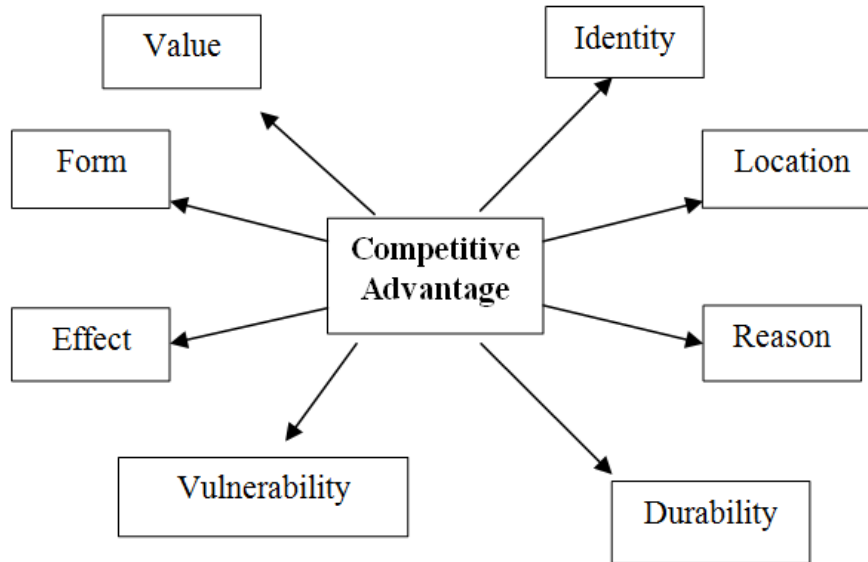


Figure 1: Dimension of competitive advantage (Anton, 2000)

Sustainable Competitive Advantage

Sustainable competitive advantage includes those advantages which are valuable for customers due to exploiting organizational qualifications, being hard to imitate by rivals and providing organization with good performance and competitiveness (Live *et al.*, 2003).

Researchers generally differentiate two available resources in competitive advantage:

- a. Unique assets and resources
- b. Differentiated capabilities and skills of organizations

Barney (1991) notes four essential requirements for resources and skills which can be main sources of competitive advantage as follows:

1. Valuable resources
2. Rare resources among potential and current competitors of company
3. Incompletely imitable resources
4. Unique resources or skills having no alternative

According to Porter's theorem, sustainable competitive advantage is created when it can resist against threat made by competitors (Naror and Slotter, 2000).

Types of Competitive Advantage

With regard to actual dynamic of competition, competitive advantage can be grouped into five general types:

- a. Static versus dynamic advantage
- b. Uniform versus non-uniform advantage
- c. Obvious versus unobvious advantage
- d. Simple versus combined advantage
- e. Temporary versus sustainable advantage

a. Static versus Dynamic Advantage

Position advantages are made from characteristics and assets of company whose factors are usually static and accessible based on resources and assets ownership (Ghoashal, 1992).

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b. Uniform versus Non-uniform Advantage

In other words, when competitive advantage of a company is obtained through the same resources and methods, companies attain sustainable advantage which exploit resources in a more efficient and effective manner, since in this way, companies are forced to play a role without having an opportunity for being differentiated and therefore, sustainable advantage is operational efficiency. At the other extreme are uniform versus non-uniform advantage which is essentially playing a role in a game or in a different game. In this type, difference advantage has a deterministic and essential role so that by means of skills, combination of various resources and products, better services and more value can be provided for customer. Companies which consider performing different affairs as their advantage, do so through making a difference in organizational culture, processes, system, structure, collaboration and coordination methods, marketing methods and strategies (Barney, 1991).

c. Obvious versus Unobvious Advantage

Obvious competitive advantage is one whose origin is obvious resources observable as physical data such as machineries, equipment and so on. These advantages are usually results of company's commitment to a lot of resources in special contexts which cannot be changed easily such as heavily investing on machineries. At the other extreme is unobvious advantage whose observation is not easily possible. Such advantages are usually hidden behind certain factors. They can result from fame of brands, learning, and personnel's methods of learning and organizational culture and so on (Barney, 1991).

d. Simple versus Combined Advantage

With respect to performance, competitive advantage can act separately or in combination with multiple other advantages as a merged generality and in interaction with each other while former is simple and latter is combined one. Obviously, combined advantage has a higher and more deterministic position compared to simple one (Hao, 1999).

e. Temporary versus Sustainable Advantage

In any type, competitive advantage can be temporary or sustainable. Temporary advantage implies to short-term or transitional. Contrary to this type is sustainable advantage which is long-term and is not easily accessible by competitors (Chaharbaghi and Lynch, 1999).

Customer

Customers are those people or operations which consume product or its outcomes, require or utilize them. Since each performance in an organization has a certain goal, it has therefore, customers (Brinkerhoff and Dressler, 1998). Four aspects of customers' needs are as follows: awareness of results and ways of getting results, exact definition and determination of customers' needs, Customer Corporation As Soon As Possible and determination of customers' expectations. If the goal is to provide a high quality service, it is necessary to balance customer's expectation and what can be supplied (Martin, 2001). The most important and basic stage in the process of customer satisfaction is to recognize expectations and expressed requirements of customers, if any. This is not achieved through guess, but it is accomplished by referring to customer and getting his/her opinions. In this way, besides exploiting statistical techniques and methods, companies obtain customers' opinions.

Types of Customer

There are various classifications for customers. However, from one aspect, they can be classified into two groups: internal and external customers. External customers are outside organization and purchase a product or service.

At the other extreme are internal customers who are as important as external ones. Throughout all operations and processes of organization, there is always a customer who receives a product or service and in turn provides a product or service (Jafari and Fahimi, 2000).

By considering all personnel as customers and suppliers, traditional barriers of organization units will be broken up and each personnel provides his/her colleague whereby one acts as internal supplier while other as internal customer. Strengthening relationships leads to a communication network among supplier – customer which significantly contributes to improvement of quality of the service provided for external customer (Rampersad, 2001).

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Customer Analysis as a Competitive Advantage

Research has shown that strategic utilization of analyses in pioneering companies which have moving forward performance in long-term and various economic, industrial and analytical periods is five times of that of companies having weak performance. Pioneering companies know that data analysis is different from collecting and storing them. In fact, companies which increase their analytical capacity are able to go beyond sole descriptive analyses and move toward predictive analyses. Transforming data into applied visions is important and vital (Rejali, 2010).

Attracting, Maintaining, Satisfaction and Loyalty of Customer

Customer attraction refers to company's success in finding new and profiting customers. In addition, besides maintaining customers, finding new ones is equally important in marketing activities. Finding profiting customers lead to integration of channels and improvement of pricing process. Maintaining customers implies to success of company in keeping available customers. The purpose of management of customer relationship is to improve company's economic performance by providing customer maintenance, attraction and development through highly sold and lateral activities. By appearance of relationship-based marketing, marketing attention has shifted from finding new customers into maintaining current ones.

Customer satisfaction is the overall evaluation of customer about product or service testing. Customer dissatisfaction is the gap between his/her expectations and performance observed from product. The purpose of customer relationship management activities is to meet customer demands. Customer satisfaction is an important criterion for performance of customer relationship management. Loyalty of customer is the result of his/her satisfaction which can develop management of customer relationship (Ozataisi et al., 2011).

Customer maintenance implies to whether customer intends to keep transactions with service providers or wants to purchase the same brand. Studies have revealed that terms satisfaction and loyalty appear as a powerful prediction of customer attraction. Customer loyalty is defined as customer attraction or a situation of repeatedly purchasing from the same company. Indeed, there is a strong relationship between customer loyalty and attraction. From service providers' point of view, loyal customers are the best way of making profit. Customer satisfaction refers to overall evaluation of customers from their purchase and consumption experience.

Other studies reveal that customer contributes to his/her maintenance. Generally, satisfaction is an important determining factor in repeated purchase, positive verbal communications and loyalty. Customers who are happy from their purchase, return for purchase and recommend others to test them and this leads to stronger competitive position and consequently, higher share and profit in market (Kim and Keon, 2012).

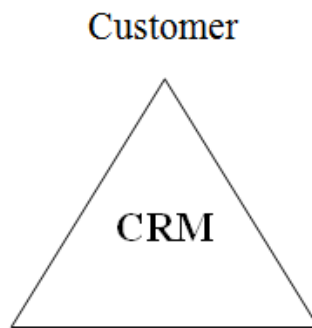
Customer Relationship Management (CRM)

CRM is a vision which emphasizes on collaboration between parties in order to make value and is a set of actions taken in business in order to understand, acquire, develop and maintain profitability and loyalty through supplying appropriate product and service in appropriate time, for appropriate customers and through appropriate communication channel with appropriate price. Moreover, CRM can be considered as a key strategy in competition which is used by company based on customer needs with a customer-based vision throughout organization (Saeidi and Deilami, 2008).

CRM is composed of three parts: customer, relationships and management. We mean by customer the final consumer which has a supporting role in value making relationships. Relationship means making more loyal and profiting customers through learner relationship.

Management is creativity and leadership of a business customer-based process and putting customer at the center of all processes and experiences of organization (Stone, 2008).

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Management Relationships

Figure 2: Main parts of CRM (Saeidi and Deilami, 2008)

Benefits of using CRM

In general, benefits of using CRM in an organization for the sake of satisfying customers and survival in competitive environment can be summarized as follows:

1. Reducing marketing and sales costs
2. Recognition of customers' consumption pattern
3. Faster and more effective attraction of customers and better understanding their demands
4. Improving customers' loyalty to organization
5. Making return of customer possible
6. Modeling customer behavior in working units
7. Excellent alignment of rare resources with strategic solutions in organizational level
8. Ability to develop a plan for strategic investment

Positioning

Cutler (2003) defined positions as the process of designing set of company offers and its image so that company can occupy a different position in customers' mind in target market and dedicate more value to customers (Asichia, 2010).

Customers in a part of market have demands and requirements which differ from that of others. Positioning enables companies to benefit from such differences and position products and services so that they can meet customers' demands in one or more divisions (Walker *et al.*, 2004).

Sangopta defines positioning as the process of recognizing empty spaces in customers' mind and then occupying it. Moreover, he emphasizes that decision for positioning is a main decision of the organization which affects other decisions for marketing and advertisements. At the end, he notes that position of a brand is its recognition among target customers based on specifications and performance benefits as well as belief which is developed through advertisements. This definition is accepted by Pryolet *et al.*, (2009) and Crain *et al.*, (2010) (Asichia, 2010).

A positioning strategy covers three interrelated sub-elements; customers, competitors and competitive advantages. Understanding these sub-elements in marketing strategy moves the company toward a part of market in which there are more strengths as well as presenting an image from market and internal environment. Furthermore, this issue enables company to recognize SWOT so that it can meet its customers' needs better than rivals or at least like them (Brookes Bank, Roger, 1994).

William Rothschild, manager of strategy and development of General Electric claims that for making and keeping competitive capabilities, each company must determine its product position in market. To analyze product position, he suggests a six-step process including: recognizing customers, recognizing and determination of customers' needs, assessment of potential and actual competitors, study of the economic situations and position of all divisions taking part in market; such as suppliers, wholesalers and so on. Determination of a scale for ranking and measuring abilities and ultimately deep analysis of market, position in it and considering dimensions contributing to competitive position. For this reason, for

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each positioning process, initially, one must recognize bases of competitive market; that is customers, product competitive characteristics.

Research Hypotheses

The purpose of this work is to investigate and find factors contributing to improvement of competitive position of MokramFarazTous (MFT) Co. in market including differentiation in various aspects such as personnel differentiation, differentiation in service providing and differentiation with respect to customer imagination with respect to product, differentiation in packing and finally in advertisement. Moreover, another purpose of this paper is achieving factors having more contribution. Therefore, the main purpose is evaluation of the level of factors contributing to improvement of MFT's competitive position from customer's point of view. Hence, to achieve first goal, following secondary goals must be taken into account:

- Determination of personnel's contribution to product unit of MFT compared to competitors from customer's point of view
- Determination of the intensity of mental image of production unit compared to competitors from customer's point of view
- Determination of the intensity of differentiation of production unit compared to competitors from customer's point of view
- Determination of the intensity of differentiation of packing compared to competitors from customer's point of view
- Determination of the intensity of differentiation of advertisement compared to competitors from customer's point of view

To assess research goals, seven hypotheses are presented as follows:

1. Personnel differentiation in production unit of MFT is in an acceptable level.
2. Customer's mental imagination of production unit of MFT is in an acceptable level.
3. Quality of services provided by production unit of MFT is in an acceptable level.
4. Quality of products supplied by production unit of MFT is in an acceptable level.
5. Quality of packing in production unit of MFT is in an acceptable level.
6. Quality of advertisement in production unit of MFT is in an acceptable level.
7. Level of competitive factors recognized in production unit of MFT is in an acceptable level compared to competitors.

Research Methodology

Research methodology is the perceived logic; that is, since logic provides us with rules for thinking, research methodology provides rules for research. The main condition for formation and initiation of a research is statement of a problem (Gorji, 2010).

Selection of research methodology depends on goals, nature and executive facilities. Methodology of current work is survey/ correlative and applied with respect to goal. Applied research is used by means of cognitive context and knowledge provided by means of fundamental research for meeting human needs and optimization of tools, methods, objects and patterns for the sake of developing welfare and improving human lifestyle (Hafez, 2008). Consequently, in this paper, using previous researches and studies in this field, literature review is performed and in fact it is included in library researches. Statistical population includes 392 customers of production unit of MFT Co. and data are collected via questionnaire as research tool and determination of the level of importance of each of the determined dimensions in competitive position improvement from customers' point of view. Further, to rank the significance of factors from customers' point of view and to determine its stability, Likert Scale is used and Cronbach Alpha is used, respectively. To analyze data, multivariate regression test is used.

Instruments

Data collection tool is selected according to research methodology. In other words, each method has its own tools which can be used by researcher to collect and classify data. In descriptive researches as well as those having an extensive geographic range, or when population of the research including a great deal of items, questionnaire is usually used as research tool (Hafez, 2008). In this work, data were collected using

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field method and by means of questionnaire. Questions are based on ranking scale in which respondents give their opinion about a subject in a scale by choosing an option which best describes their beliefs or vision regarding question. In fact, questions are about intensity of responses (Gorji, 2010).

Questionnaire prepared for collecting data determine the level of importance of each of the dimensions in competitive position improvement from MFT customers' point of view using scales ranging from "none" to "very high".

The first variable assessing the factors contributing to improvement of competitive position from customers' point of view and with respect to personnel.

It implies to items such as personnel's appearance, their attempts for responsiveness, enthusiasm and capabilities (Questionnaire of evaluation of service quality from customers' point of view, Bordbar, 2012). Second one focuses on services provided by company.

Third variable corresponds to mental image and analyzes factors such as purchase sense of security, customer's choice freedom to choose, purchase simplicity and overall satisfaction from purchase (questionnaire of customer satisfaction based on Servqual model, Bordbar, 2012).

Next variables evaluate product dimensions, packing and advertisement and concentrate on items such as price compatibility with other competitors, packing and color diversity and relationship between sales and advertisement and taking part in professional exhibitions (Questionnaire of the effect of packing on marketing food products, MasoudiNejad, 2012).

MATERIALS AND METHODS

Research Variables

In this research, there are two groups of variables as follows:

Independent variable: in this work, six variables are considered as independent ones including: personnel differentiation, customers' mental imagination, product services quality, packing quality, advertisement quality.

Dependent variable: in this research, dependent variable is competitive position improvement. Dependent variable is the main variable interested in research. The aim of author is to explain and predict variability of the dependent variable (DanaeiFard et al., 2004).

Conceptual Model

Conceptual model is a strategy for research initiation and carry out. As expected, during research, variables, relationships and interactions are studied and tested and if necessary, moderations to them are performed and some factors will be added or removed (Satrolysin, 1999).

To keep profitability, companies initially act to reduce costs and revise process engineering.

Nevertheless, if they lack marketing vision, it is improbable that they can improve situations since factors such as quality, cost and performance cannot necessarily respond to human needs forming all technical revolutions and innovations.

Created competitive environment led to success of those companies which adapt themselves to environmental factors and introduce a product which customers intend to purchase. In recent situations, one of the factors of success understands of competitors.

An understanding which arises from criteria contributing to belief formation and vision of customers. Therefore, in this environment, product positioning and understanding competitive position is inevitable and necessary for each company.

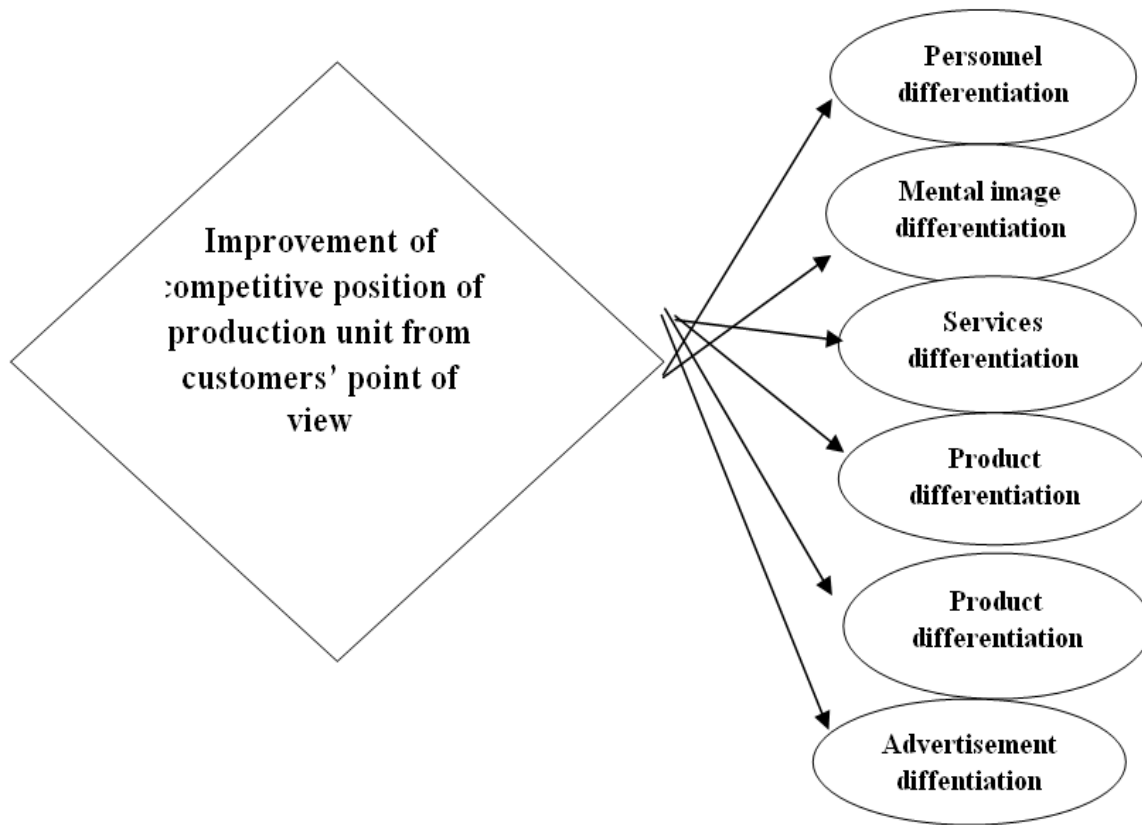
According to above, conceptual model of research can be drawn as follows:

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Table 1: Research variables and corresponding questions

Question no.	Variable
1. How is good looking, together with respectful and polite behavior of the company's personnel?	Personnel dimension
2. How good is the attempt of personnel in solving your problems?	
3. How is the personnel's enthusiasm in sales?	
4. How is the presence of powerful and polite personnel in company?	
1. How is the time announced by personnel for supplying product to customer?	Services dimension
2. How is working hours and number of personnel of sales unit to provide services?	
3. How is complaint resolving performed by company?	
4. How is the acceptance and facilitation of wastes replacement?	
1. How is the sense of security when interacting with organization and personnel?	Mental image dimension
2. How is the freedom to choose and satisfaction of customer in company?	
3. How is ease of purchase in company?	
4. How much is your satisfaction from deciding to purchase company's products?	
1. How is the compatibility of company products with other companies and labeling prices on products?	Product dimension
2. How is the diversity of products of company?	
3. How is the low level of prices and profit margin for customers?	
4. How is the overall quality of company products compared to others?	
1. How is the packing diversity in products of company?	Packing dimension
2. How is the colorfulness and happiness of packing of company products?	
3. How is the variety of weights of company products packing?	
4. How is using packing compatible with geographical region of product market?	
1. How is the relationship between TV advertisements with sales level?	Advertisement dimension
2. How is the relationship between awarding system and sales level?	
3. How is taking part in professional exhibitions aiming to customer attraction?	
4. How is shipping advertising products such as calendar, pen and etc. to customers?	

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RESULTS AND DISCUSSION

Initially, current state of company must be investigated with respect to ranking of variables. For this purpose, Friedman test is used whose results are represented in tables 2. In this test, each of the variables which have higher percentage of change, are more effective and are considered as excellent factor. Results are shown in table below:

Table 2: Ranking of various dimensions

	Mean Rank
Personnel dimension	3.73
Services dimension	3.64
Mental image dimension	3.55
Product dimension	3.55
Packing dimension	3.37
Advertisement dimension	3.16

Table 1 shows that personnel dimension with 3.73% is the most effective factor and then, services with 3.64%, mental image with 3.55%, packing with 3.37% and advertisement with 3.16% are in next ranks. Two dimensions of personnel and services have the most contribution, mental image and product are not different and packing and advertisement are in following ranks.

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Table 3: Statistic of Friedman test

N	379
Chi-square	25.300
df	5
Asymp. Sig.	0.000

Finally, to test research hypotheses, Kolmogorov – Smirnov test is used whose results are summarized in table 4:

Table 4: Normality Test

		Competition
N		379
Normal Parameters ^{a,b}	Mean	3.5015
	Std. Deviation	.55772
	Absolute	.049
Most Extreme Differences	Positive	.049
	Negative	-.036
Kolmogorov-Smirnov Z		.955
Asymp. Sig. (2-tailed)		.322

Since the value of SIG higher than error level and α is 0.05, research data are of normal distribution. To test hypotheses, t-test is used whose results are shown in table 5:

Table 5: The results of the t test

		Personnel dimension	Mental image dimension	Service dimension	Product dimension	Packing dimension	Advertisement dimension
Improving competitive position from customer's point of view	t-test	17.905	16.735	14.167	14.884	11.613	1.389
	Level of significance	0.000	0.000	0.000	0.000	0.000	0.000
	Mean	3.6760	3.6307	3.5891	3.5600	3.4965	3.0904
	Quantity	392	392	379	379	379	379

According to results of table 4, since SIG is lower than error level, therefore, research hypotheses are confirmed. This means that personnel differentiation, mental image, services, product, packing and advertisement are in an acceptable level compared to competitors.

Since in this work, Likert Scale is used, to evaluate stability of each section of questionnaire, Cronbach Alpha is used. If the value of this scale is higher than 7%, stability of questionnaire is confirmed. Results of Cronbach Alpha for research variables are summarized in table below:

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Table 6: Cronbach's alphacoefficients forthe variables

No.	Variable	Cronbach Alpha	Number of Questions
1	Personnel dimension	0.662	4
2	Services dimension	0.681	4
3	Mental image dimension	0.659	4
4	Product dimension	0.675	4
5	Packing dimension	0.710	4
6	Advertisement dimension	0.853	4

Conclusion

Among respondents to questions corresponding to investigation of factors contributing to improvement of competitive position of a production unit from customers' point of view and providing a suitable pattern, it can be said that from 392 participants, 37% were female and 63% were male. Moreover, 37% were under 30, 56% 30-60 and 7% were over 60 years. Statistics revealed that most of the customers of this company are 30-60 years old men. In this paper, results obtained from investigation of factors contributing to improvement of competitive position of a production unit are provided from customers' point of view. According to findings of hypotheses test, it can be concluded that personnel, mental image, product, packing and advertisement differentiation of the investigated company are in an acceptable level with respect to competitors. It means that making difference and differentiation in above dimensions, leads to competitive advantage for company and consequently, more market share, customers and finally, higher levels of profitability. Furthermore, in determining factors contributing to improvement of competitive position of intended production unit, customers allocated highest contribution to personnel dimension (3.73), services (3.64), mental image (3.55), product (3.55), packing (3.37) and advertisement (3.16) dimensions, respectively. Hence, according to findings, priority of research variables in improving competitive position of MFT Co. is as follows: personnel, services, mental image, product, packing and advertisement.

Research Suggestions

Of characteristics of a good manager is protecting organization assets which in one classification, they can be classified into obvious and unobvious assets. Unobvious assets include customers of an organization. Managers must consider their customers as an asset and recognize their attraction, maintenance, and increase and relationship improvement as their main duties. They must know that no organization can survive without its customers and in this way, many companies use customers' tendency toward their products as a way to customer satisfaction.

Since the process of formation of production units has an ascending trend and their number and diversity is continuously increasing, one must accept that by increasing competition among production units, those companies will be successful that meet their customers' need as best as possible, satisfy them and in simple words, companies must be customer-based.

On the other hand, determination of competitive position of a product, that is the place occupied by that product with respect to that of competitors and improvement of this position plays a vital role in success and profitability of that company. Well known and successful companies are those that could determine their competitive position realistically and take steps toward improving this position.

Since, each day, millions of dollars are spent advertising various products, customers are not able to reevaluate products each time they purchase them. Therefore, they react only to those advertisements from which they have knowledge or experience. That is, they classify products and allocate each product or company to a specific position. According to above, a powerful and good manager is someone who make a suitable competitive position for product or service in customers' mind and continuously improve this position as well as being customer-based.

Consequently, determination of factors contributing to competitive position of a production unit from customers' point of view can lead to more success of companies in attracting potential and actual customers and hence more profitability for them.

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In this paper, results of investigation of factors contributing to improvement of competitive position of a production unit from customers' point of view are presented. According to results of t-test for all hypotheses, it can be concluded that personnel, mental image, services, product, packing and advertisement differentiation are related to improvement of competitive position in customers' opinion. In determination of factors contributing to improvement of competitive position of a production unit and confirmation of hypothesis 7 and answering the main question of research, customers allocated highest contribution to personnel dimension (3.73), services (3.64), mental image (3.55), product (3.55), packing (3.37) and advertisement (3.16) dimensions, respectively. Therefore, it can be claimed that according to research results, in this production unit, necessity to take personnel dimension into account is at the first level of importance. In this regard, it is suggested that by means of relevant tools; that is election of powerful and interested people having strong public relations in sales division for responding to customers, as well as providing educational opportunities for them, competitive position of company can be improved.

After that, priority must be allocated to services dimension and in this regard, it is suggested that by on-time delivery of product, making a communication line corresponding to complaints and recommendations, their assessment and responding to customers, receiving probable wastes from customers and replacing with new one and considering appropriate working hours for sales division, competitive position of company can be improved.

Then, mental image rank three in investigation of factors contributing to improvement of company's competitive position which by completing goods basket, in other words, compatible products and giving freedom to choose to customers, making relationship with customers and more interaction with them and gaining security from customer and finally, satisfying customer, steps can be taken to improve company's competitive position. Product dimension ranks four and numerically, it is equal to mental image. With regard to product dimension, by reducing marginal profit of company and considering a price compatible with competitors (through syndicates), completion of goods baskets and increasing product diversity and finally, improving general quality of product and takeover other competitors, competitive position of company will be improved.

Packing dimension ranks five and in this context, it is suggested that by means of tools such as packing diversity with respect to weight, size and dimensions, using warm and happy colors and durability and strength of packing materials, competitive position of company may be improved. At the end, advertisement which has the least contribution to improvement of company's competitive position, using TV advertisements, participating in professional exhibitions, shipping advertising products such as calendar, pen and so on and finally, awarding customers, and company can act toward improving its competitive position.

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