

Perception on Brand Positioning of Three Star Hotels in Kuala Terengganu, Terengganu

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ABSTRACT

The purpose of brand positioning is to change the perception of prospective customers compared to other brands in the same product category. Many business organisations try to steer the customer's mind on the target brand and its advantage in the market. To determine whether the positioning of a certain brand is a success or not, a company should observe whether its brand is salient or not to the customers. Positioning or brand positioning includes choosing a particular product characteristic from the whole set of features associated with the brand. The main aim of this research is to determine the factors influencing the brand positioning of three-star hotels among residents in Kuala Terengganu. The first objective is to examine the relationship between the price and brand positioning of three-star hotels. The second objective is to determine the effect of brand image on the brand positioning of a three-star hotel. The third objective is to define the value of the brand positioning of a three-star hotel. The researcher disseminated 384 sets of questionnaires to 384 respondents in Kuala Terengganu and used SPSS version 20 to analyse the data. By using the data gathered, the researchers can produce frequency analysis, descriptive statistical analysis, Pearson test correlation analysis, regression analysis, hypothesis testing, and also the interpretation of objectives. The finding shows that two independent variables (price and brand image) have a significant relationship with the brand positioning of three stars hotels. Brand image is the vision of hotels in the industry more than what hotels' records show and the price represents the standard of service as perceived by the customers. Positioning is the use of marketing to project differentiation in the hotel and its services to targeted customers. Building and maintaining a strong brand positioning is critical in that it will help create a positive image and create unique perceptions among present and potential customers. A hotel with a positive brand positioning will transform a satisfied customer into loyal guests.

Keywords: brand image, brand positioning, customer-perceived value, product attributes, three-star hotels

INTRODUCTION

In general, hotels are rated based on their quality, especially in terms of their service. (Lu, Marek & Chen, 2015; Mohsin & Lockyer (2010). The main aim of hotel ratings is to inform prospective customers of the basic facilities that can be anticipated by them. Also, the purpose of rating the hotels is to focus on the hotel's "maturity" as a whole. The terms classification, grading, and rating still have the same meaning and concept which is to classify the hotels. Pascarella (2005) stated that 3-star hotels have different criteria depending on different countries. In Australia, 3-star hotels are hotels that provide a wide choice of facilities more than common needs. Such as fine service quality and accommodation that can reach customers' expectations. On the other hand, the Philippines assumes 3-star hotels as hotels that provide high-quality rooms and various facilities. In Malaysia, Choo & Tan (2017) suggested that most upscale and luxury hotels indeed have performed better and have the least problems than lower-rated hotels. Kuala Lumpur has 18.71% negative reviews; 14 on two-star hotels, 20 on three-star hotels, 18 on four-star hotels, and 12 on five-star hotels are to be analysed descriptively. This research focuses on the perceptions of clients who visited three star hotels In Kuala Terengganu. In Kuala Terengganu there are many three star hotels. Among the three star hotels are The Inn Hotel, Permai Hotel, Sumai Hotel Apartment, Hotel YT Midtown, Grand Puteri Hotel. The reasons why the three star hotel was chosen in the study is because these three star hotel gave more value for money and the price became the main consideration for hotel customers in choosing their accommodation (Srisopha, Homchan & Chaiyason, 2013).

The hotels' ranking can be differentiated based on the star rating. In Malaysia, hotels are rated according to the star rating system designed by the Ministry of Tourism & Culture. The rating system designated points from 1-10 to six different criteria in order to determine the star rating of the hotel. The six criteria are listed as follows; Appearance and Cleanliness of Hotel Common Areas, Presence and Quality of Hotel Facilities, Quality and Ambiance of Bedroom, Quality and Variety of Services Provided by Hotel, Safety and Hygiene of Hotel, Professionalism of Hotel Staff. Any hotels hoping to achieved the coveted 5-star rating, it must score a minimum of 9/10 on each of the six criteria. As for the 4-star, 3-star, 2-star and 1-star rating, the hotels would need to score a minimum of 7/10, 5/10, 3/19 and 1/10 respectively for each of the six criteria. Furthermore, there are certain cultural and religious practices that may not be commonly seen in other countries. The star rating system therefore, has to be respected by the hotels in Malaysia. For example, the Kiblat sign is mandatory in all hotel rooms in Malaysia as a result of the nation's status as an Islamic country. In other countries such as France, the Kiblat sign is not compulsory and is optional or depends on the discretion of the hotel owner (Ong, 2014)

Challenges Faced by the Hotel Industry

Since the Covid 19 pandemic hit the country, many hotels are struggling to survive in an uncertain economy. This is due to the many cancellations of hotel rooms and the low arrivals of both local and foreign tourists. Report by the Edge Malaysia, in the first three months of 2022, since foreign tourists are allowed to travel in Malaysia, hotel operators continue to wrestle with a myriad of issues, namely slow return of foreign tourists, man power shortage, higher wages to higher operating costs as a result of higher prices of food, materials and overhears (Poo, 2022).

CGS-CIMB Securities research analyst Raymond Yap says that in May 2022, international seat capacity amounted to 27% of the May 2019 base, up from 14.7% in March 2022. However, the research house's top-down estimate of Malaysia's international passenger traffic recovery in 2022 currently stands at 40% of the 2019 base.

“Our bottom-up analysis suggests that potentially only 31% can be achieved. Meanwhile, our top-down estimate for Malaysia's domestic sector is for a recovery in 2022F to 85% of the 2019

passenger traffic base, but a bottom-up analysis suggests that 75% could be more realistic. Airline seat capacity has been recovering slower than hoped for, because the process of restoring cabin crew strength is slowing down airlines' plans to reinstate flights. The unfavourable effect on passenger traffic is compounded by lower-than-expected seat load factors," Yap explained.

The issue with low occupancy rates at hotels is not as straightforward as it appears as it is not just caused by the still-low tourist arrivals. Hotels are also struggling with a labour shortage that is compounded by the higher minimum wage of RM1,500 that is expected to be implemented on July 1, 2023 from RM1,200 previously. Hence, even with the return of foreign tourists, hospitality players face the challenge of staff recruitment and retention (Poo, June 27, 2022).

At present there are 25 hotels and resorts registered with the Malaysian Ministry of Tourism and Culture (MOTAC). The star ranking of the hotels can be listed as follows; three 5 star hotels, seven 4 star hotels, six 3 star hotels and nine 2 star hotels. In Terengganu, at the height of the Movement Control order imposed by the government the number of guests staying at hotels and resorts in the state suffered a decline of over 80 percent. Chairman of the Malaysian Hotel Association (MAH) Terengganu, Suaibah Harun said the cross-state and district bans had a major impact on the hospitality industry. "Even if a hotel room is allowed to open, getting 10 percent of the room reservations is difficult.. It can be said that half the hotels in the state are open but the overhead costs incurred are higher than the income," he said.

With the gloom of the hospitality and tourism industry, said Suaibah, MAH Terengganu, which has 36 hotels and resorts, hopes that the government will reauthorize the cross-state movement to revive the sector (Sinar Harian, Masa depan industri hotel makin malap). We postulate that even after the MCO has been lifted by the government, the hotels and resorts in Terengganu would find it hard to generate the level of revenue before the MCO was implemented. This is due to the difficulty of building the trust of the potential guest on the ability of the hotels to protect the guest from a new infection of the Covid 19 viruses. This scenario we argue that the hotels, specifically the three star hotels need to build a positive brand positioning to differentiate its offering from four to five star hotels. A positive brand positioning will also help the hotels to build a strong competitive advantage in the marketplace as it will help guests and potential customers to differentiate the distinct features of a particular hotel compared to its competitors.

The purpose of brand positioning is to change the perception of prospective customers compared to another brand in the same product category. Where the company tries to steer the customer's mind on the target brand and its advantage in the market. To determine whether the positioning of a certain brand is a success or not, a company should observe whether its brand is salient or not to the customers (Lee & Back, 2010). Brand Positioning is considered as building a brand identity in the minds of customers. It is a move of creating the brand's offering and specific impression the hotel wants to create in the minds of the target customers. To gain successful brand positioning, hotels must make sure that the customers recognize the brand values in the way the hotels want to. In addition, hotels have to make sure their high-quality services involve brand value so that they can achieve high loyal customers (Kotler & Keller, 2012). Moreover, Aaker & Biel (2013) suggested that positioning includes choosing particular product characteristics from the whole set of features associated with the brand. A successful brand positioning will show one's brand is different from others in terms of brand equity and brand image compared to competitors.

Brand positioning is one of the major areas mentioned in the marketing of hotel services. One of the objectives of brand positioning hotels services is to build a position in the mind of the customers to get full advantage comes from those customers. Brand positioning is essential because it lets clients

see the company in a different light. It bears a correlation with a customer's loyalty and willingness to purchase the company products. Positioning a brand in the mind of the customers also aids the hotel in comparing its services to competitors. To the hotels, positioning is based on what the customers will enjoy by choosing the hotel and its services. The main purpose of brand positioning is to have a win-win situation for both the hotel service provider and the guests to build brand loyalty as a result of the good activities. To gain effective and efficient brand positioning, it is a condition for the hotel to identify their loyal customers, competitors, and also the ideal points-of-parity and points-of-difference brand association (Kotler & Armstrong, 2009). Hence, it is important for hotels to build a distinctive brand position by focusing on specifically concerning customer needs and wants and combining them with the brand values of the hotels. So, the customers will be satisfied. This helps the hotels to positively place their brand in the mind of the customers (Ozarslan, 2014).

LITERATURE REVIEW

The Concept of Brand Positioning

Brand positioning is one of the most critical and fundamental concepts in marketing and firm strategy. How a firm chooses to position itself in the market significantly affects its competitiveness and performance. The concept of brand positioning refers to the process of creating its own image, distinctive properties, positive associations and values in consumers' mind in order to create a sustainable trademark image and ensure consumers' attachment to this trademark (Fayvichenko, 2016). Implementation of the trademark positioning must be performed under the rules of fair competition and strict compliance with the legislation on protection of trademarks (Trout, 2003). According to Aaker & Joachimsthaler (2000) & Ghodeswar (2008), brand positioning is a component of a company's identity and value proposition that must be actively conveyed to the target audience. As a consequence, brand positioning is dependent on the interplay of all marketing tools, with marketing communications playing a prominent part due to their importance in the process of establishing different customer views (Keller, 2013). Brand positioning, on the other hand, "is the act of creating a company's offering and image to occupy a precise spot in the target market's mind." The final result of positioning is the effective formulation of a customer-focused value proposition that gives the target market a compelling reason to purchase the product" (Kotler, 2003; Barnes et. al., 2009). Brand positioning is the particular place in consumers' minds that a firm seeks to own. Consumers form their perception of the brand from various interactions with the brand's general line of products (that is, several different products under the same brand), which, taken together, identify and refine a brand's distinctiveness (Kuo-Ning & Hu, 2022; Avery and Gupta 2014).

According to Lee & Liao (2009), brand positioning enables businesses to notice changing client preferences and behaviour patterns, necessitating changes in strategic planning and product design. Consumers recognise the brand's originality and intensity when it has a strong brand position (Aaker, 1991; Keller 2001). According to the researchers, brand positioning is a strategy that focuses on putting a brand in a unique position to other brands as well as in the minds of customers. Firms employ this method by stressing their brand's distinguishing characteristics. It's difficult to reinvent a brand without jeopardising its credibility once it's been established. In terms of concept, brand positioning is nearly identical to the brand image construct, which clarifies "the consumer's concept of a brand – which is mostly a subjective and perceptual phenomenon created through consumer interpretation, whether emotional or reasoned" (Dobni & Zinkhan, 1990; Grace, D., & O'Cass, 2002; Voyer et. al., 2017).

Perception of Hotel's Brand Positioning

In the hotel industry, a brand is properly positioned when it has a competitive advantage based on strong core competencies. Brands are created to elicit certain emotional responses from consumers as well as to establish more specific linkages between brand components and specific aspects of quality

(Aaker, 1996; Gobe, 2010; Elsharnouby & Elbanna, 2021). Developing a great hotel brand in the hospitality sector, it takes more than just giving a facility a name and logo or creating a marketing campaign (Hu & Trivedi, 2020). Many hotel firms in the hospitality sector leverage their brand's popularity to favourably affect consumers' overall perceptions of the significance of acquiring the company's goods and services to enhance sales (Kim & Kim, 2005; O'Neill & Matilla, 2010). The hotel brand represents the management's commitment to its consumers and serves as a predictor of customer satisfaction (Salim & Raja 2014) if the promise meets or surpasses the consumers' expectations; the hotel brand becomes more powerful. The hotel brand interacts with its surroundings as well.

Price

Surbhi (2014) defines price as the amount of money expended by the buyer to the seller in exchange for any product and service, or the amount charged by the willing seller for a commodity is referred to as its price. The quantity of money we have to offer for anything we wish to acquire is the definition of the price. Price, on the other hand, may or may not reflect the perceived value of the thing that a buyer is considering purchasing (Li et.al., 2022). According to Parker (2015), price as the amount asked, offered, or paid for an asset, hence, because of the financial abilities, motivations or special interests of a given seller or buyer, the price offered may be different from the value which might be offered to the asset by others. Customers may have several interpretations of the term. This interpretation may eventually affect, cohabit, and clash with the decision-making process of customers (Rao, 2005). In brand positioning, price is widely utilised as an influencing element. Consumer response to pricing in the absence of the unjustifiable complete rationality speculation, on the other hand, was asserted by a marketing intellectual person (Skouras, Avlonitis, & Indounas, 2005). According to Sengupta (2005), some consumers will go to great lengths to keep their money, while others would do the opposite. Almost every brand has a pricing position (Lindstrom, 2008). Some are downscaled. Some of them are more affluent. And some are trapped in the middle, which is a dreadful situation to be in. Rolex, Evian, Starbucks, and a slew of other "upscale" businesses are examples. Downscale companies include Walmart, Dollar Tree, Ikea, and a slew of others. Changing a brand's "price" stance jeopardises the brand's standing.

Brand Image

In marketing literature, great attention has been given to the brand image. The approach of the company focuses on the improvement of marketing activity along with strategies of brand positioning and retaining a positive brand image (Keller, 1999). A consumer's approach is based on his or her attitude toward the interpretation of the brand image and brand equity. The significance of a brand in the market is influenced by the company's ability to evaluate the fact how consumers interpret the brand image and the company's ability to manage the strategy of brand positioning, adequately revealing the brand's equity to a consumer (Janonis, V., & Virvilaitė, 2007). Barišić et. al. (2012) states that an image is a mental construct developed by the consumer based on a few selected impressions among the flood of the total impressions, it comes into being through a creative process in which these selected impressions are elaborated, embellished, and ordered. Gotsi & Wilson (2001) defines image as the set of beliefs, ideas, and impressions that a person holds regarding an object. According to Le Pla & Parker (2002), a strong brand image is valuable for an organisation since it can provide the company with benefits such as clear companywide focus, higher margins, deep customer loyalty and a higher success rate with new product launches.

During the buying process, brand characteristics will influence consumers' decisions, and marketing activities and consumer personal attributes will also influence the brand image and purchase intention of consumers (Lee et. al., 2014). So, a strong brand should have a clear brand image such as brand personality, organisation association, feelings, and self-expression to represent consumer commitment by the corporation. Al-Msallam (2015) also said that brand image can generate value in

terms of helping customers to process information, differentiating the brand, generating reasons to buy, giving positive feelings, and providing a basis for extensions.

Brand image is the key driver of brand equity, which refers to consumer's general perception and feeling about a brand and has an influence on consumer behaviour. Brand image is the vision of hotels in the industry more than what hotel records show (Kucukusta et. al., 2013). Positioning is the use of marketing to project differentiation in the hotel and its services to targeted customers. Building and maintaining a strong brand is a primary communication objective for successful hotels (Akbari, 2021, Aaker, 2012). Wallstrom et al. (2008) indicated an integrated strategy for branding is the most effective at rising market share. For example, Marriott shows its Renaissance hotel line as a place to stay for business travellers with benefits in the experiences a destination provides. The hotels created this brand image by creating an interactive website that allows customers to search local attractions close to the hotel, a strategy for the hotel to have a favourable position among the targeted market (Neirotti, 2016).

Value

In diverse situations, there are several meanings of "value." In one case, value is defined as "a consumer's total appraisal of a product's utility based on perceptions of what is received and supplied" (Morar, 2013). Because one's values, such as major life objectives or standards, are guiding factors in one's life, this study predicts consumers with diverse value systems will behave differently toward brand positioning (Kotsi & Pike, 2021, Gerasimenko, Andreyuk & Kurkova, 2021). According to the relevant research on value, values related to perception and surroundings tend to impact attitudes toward hotel brand positioning (Chrysohoidis & Krystallis, 2005).

According to Habibi et.al. (2015), the value may be defined as the emotional and rational benefit that a client receives from purchasing a product or service. Whereas, positioning may be defined as the perceived worth of a brand by its customers. This demonstrates the significance of the link between positioning and value. To develop a positioning strategy, marketers must first identify the characteristics of their products and services that set them apart from the competition (Baker & Cameron, 2008). A corporation must do various things to position its brand, including expanding a unique and value-based positioning concept.

METHODOLOGY

In this study, the researchers have adopted deductive research by collecting the primary data using a survey. This study used non-probability sampling namely convenience sampling. Convenience sampling is a non-probability sampling method where units are selected for inclusion in the sample because they are the easiest for the researcher to access. This can be due to geographical proximity, availability at a given time, or willingness to participate in the research. Based on Abdulla (2023), to conduct convenience sampling, the researcher will:

- a) Define research questions and determine the population you want to study.
- b) Identify a convenient location or group of people to recruit participants from. Approach potential participants and ask if they would be willing to participate in your study. Be clear about the purpose of the study and what their participation would involve.
- c) If participants agree to participate, collect data using a survey, interview, or other data collection method.
- d) Analyse the data you have collected and draw conclusions based on findings.

The survey is conducted in the data collection process using self-administered questionnaires. The main instrument chosen in this research is a self-designed questionnaire that is distributed by the researchers. The method used in this study is correlation and multiple regressions on 200 respondents. The number of samples is based on convenience sampling which the researcher can determine based on current study

and previous study. In convenience sampling, the researcher selects participants based on their availability or accessibility, rather than using a random or stratified sampling method. Since convenience sampling does not involve random selection of participants, it is not possible to calculate the sample size using statistical formulas that require a known level of precision and confidence (Bluestein et. al., 2023).

In most cases, the sample size in convenience sampling is determined by the practical constraints of the research project, such as the time and resources available to the researcher. The sample size is often small and may not be representative of the larger population, which can limit the generalizability of the results. Questions consisting of sections A, B, C, D, and E have 5 questions each from the section. According to Sekaran and Bougie (2013), primary data refers to information obtained first-hand by the researcher on the variables of interest for the specific purpose of the study. The sources can be obtained from individuals, focus groups, panels of respondents specifically set up by researchers, and from whom the opinion may be sought. In other words, primary sources are original data collected by researchers for the study.

The approach of this study is entirely quantitative and uses statistical analysis. The respondents selected are those who know and have stayed in a three-star hotel. A target sample is equal to 384 residents of Kuala Terengganu who have visited three Star hotels in the State for the past three years. However, only 200 completed questionnaires were returned to the researchers. The questionnaires were distributed and collected by enumerators hired by the researchers in the span of 2 months

Questionnaire

There are four sections in the questionnaire designed by the researchers. The first part, section A includes the gender, age, education level, race, types of occupation, and income level. The questionnaire consists of sections A, B, C, D, and E which have 5 questions from each section. The item in the questionnaire is taken from an established literature review and has been tested for validity and reliability. In addition, the researchers also use a five-point Likert scale for sections B, C, D, and E. The sections are as follows; section B (Brand Positioning), section C (Price), section D (Brand Image), and section E (Value). Each section comprises five (5) questions adapted from other researchers.

RESULTS AND DISCUSSIONS

In this research, questionnaires were distributed to a total of 384 respondents, however, the researcher only received 200 questionnaires that were completed and used in the data analysis. Among these respondents, the researcher has categorised them into 4 groups of age. In terms of age group, 77.0 percent of the total respondents come from 30 years old and below, 18.5 percent of respondents in the range of 31 – 40 years old, 3.0 percent of respondents aged 41 – 50 years old, and lastly, 1.5 percent respondents from 51 years old and above.

In terms of gender, the results in Table 1 indicated 64 of 200 respondents are male which is 32.0 percent and the rest of the respondents are female which consists of 136 from 200 respondents which are 68.0 percent. In terms of education level, 48.5 percent of the total respondents have a Bachelor's Degree, followed by STPM or Diploma holders which indicate 35.5 percent. 12.0 percent of the total respondents are SPM holders while 3.5 percent of the total respondent comes from a Master's or Ph.D. level. Finally, only 0.5 percent of the total respondents have PMR. In terms of race, there are four choices for respondents which include Malay, Chinese, Indian and other races. Malay respondents showed the highest numbers which are 193 respondents indicating 96.5 percent followed by Chinese with 4 respondents (2.0 percent) and Indian which are 3 respondents (1.5 percent).

Results of the frequency analysis also show that 23 respondents or 11.5 percent are Self-Employed. Respondents who are working in the government sector equal 28.5 % with 83 respondents. This is followed by respondents working in the private sector with 83 respondents which equal 41.5 %. The rest of the respondents are students and housewives which are 9.0 and 9.5 % respectively. The final data in the respondent's demographic profile is the income of the respondents. All results are shown in Table 2. Table 2 also shows that 80 respondents or 40 % have an income of around RM 1501 to RM 3000. Followed by 30 % who have an income of RM 1500 and below. 39 respondents or 19.5 % have an income from RM3001 to RM 4500 and 12 respondents or 6 % have an income from RM 4501 to RM 6000. The rest are 9 respondents or 4.5 % have an income of around RM 6000 and above.

Table 1: Profile of Respondents

AGE (years)				GENDER		EDUCATION				RACE		
Less than 30	31-40	41-50	More than 50	Male	Female	First Degree	STPM/Diploma	SPM	PMR	Malay	Chinese	Indian
77%	18 %	3%	1.5%	32%	68%	48.5%	35.5%	3.5%	0.5%	96.5%	2.0%	1.5%

Table 2: Profile of Respondent's Occupation and Income Level

Respondent's Occupation		Income Level (RM)	
Self-employed	11.5%	Less than 1500	30%
Government	28.5%	15001-3000	40%
Private	41.5%	3001- 4500	19.5%
Students	9.0%	4501-6000	6%
Housewives	9.5%	More than 6000	4.5%

The four (4) variables were tested using correlation, namely brand positioning, price, brand image, and value. The results of the descriptive analysis are shown in Table 3. Referring to Table 3, the mean for the entire variable is between 3.290 and 3.8000. The variable that is brand image shows the lowest mean value which is 3.290 and while the value shows the highest mean value which is 3.8000. From the aspect of standard deviation value, it is between 0.42956 to 0.58720.

Table 3: Mean Value of the Dependent and Independent Variables

	N	Minimum	Maximum	Mean	Std. Deviation
Brand Positioning	200	1.80	5.00	3.6890	.58720
Price	200	2.20	5.00	3.5840	.47758
Brand Image	200	1.60	5.00	3.2920	.50279
Value	200	1.80	5.00	3.8000	.42956

Correlation Analysis

The correlation coefficient value for the price equals 0.391 which is significant but weak between price and brand positioning. There is a significant relationship between brand image and brand positioning at level 0.000 (2-tailed). The correlation coefficient value for this variable is 0.279. Where it has weak relationships. The significant value of the correlation coefficient between brand positioning and price which is 0.391 and between brand positioning and brand image which is 0.279 shows that there is a relationship but the relationship is weak. This means those prices and brand images are decisive in the selection of a three-star hotel. Value does not have a significant relationship with brand positioning because there is a possibility that customers choose a three-star hotel not because of value. Indeed, when customers choose a hotel, they already expect the quality of service that will be received. So according to the mean value, it turns out that the value has the highest value of 3.800, followed by brand positioning, 3.689, price, 3.584, and lastly, brand image, 3.292. All results are shown in Table 3 and Table 4.

Value, however, does not contribute to the brand positioning because the relationship is not significant. In other words, brand positioning that is made or modified is not able to increase value because 3 star-hotels are in their league, so any positioning will only increase costs or customers assume they remain 3-star hotels. The increase in costs is less necessary to attract a customer which does not lead to an increase in revenue and profit. Indeed 3-star hotels based on this study need to focus on efforts to enhance the brand image through accurate selling pricing and good service quality. Then once the cash flow becomes active, strong, and excessive the hotel can focus on value.

Table 4 : Pearson Correlation Analysis

	BP	PR	BI
Brand Positioning (BP)	1		
Price (PR)	0.391**	1	
Brand Image (BI)	0.279**	0.308**	1
Value (V)	0.131	0.227**	.502**

** Significant at 0.05 confidence level

CONCLUSION AND RECOMMENDATIONS

Price has a significant relationship with the brand positioning of the three stars hotel. Price is frequently used as the influence factor in brand positioning. On the other hand, marketing intellectuals stated that consumers respond to prices in the absence of the indefensible perfect rationality speculation (Skouras, Avlonitis, & Indounas, 2005). Table 3 on brand image also has a coefficient that is significant at level 0.000. Therefore, there is a significant relationship between brand image and brand positioning of three-star hotels. It shows that brand image has a critical effect on the brand positioning of the three stars hotel. Brand image is the vision of hotels in the industry more than what hotel records show. Positioning is the use of marketing to project differentiation in the hotel and its services to targeted customers. Building and maintaining a strong brand is a primary communication objective for successful hotels (Kokemuller, 2014).

Based on the coefficient of value in Table 3, the value is not significant at the level where the value 0.063 is greater than 0.05. Value does not influence the brand positioning of the three stars hotel. Therefore, there is no significant relationship between the value and brand positioning of a three-star hotel. This study expects that consumers with different value systems will show different behaviours toward brand positioning because one's values, such as important life goals or standards, are guiding principles in one's life (Akaka & Alden, 2010). However, the results indicate that customers of three-star hotels are unable to experience and appreciate the value proposition offered by the three-star hotels in Terengganu. We, therefore, proposed the following strategy to increase the brand positioning of the three-star hotels in Kuala Terengganu.

Identify the Target Customers

The three-star hotels should study their services and the competitors in the market. Conduct research and carry out a survey to understand where the hotel's brand stands in league with the competitors. Zero down on the types of consumers the hotels plan to market your brand to. Settle the mission, vision, and value statements, and determine the personality the hotels will use to send the message across, depending upon the character and psychology of your target audience.

Emphasise What Makes the Hotel's Brand Unique

Find the factors that set the hotels a step apart from the rest in the market. What are your brand's strengths? Cash on these advantages and create a unique selling proposition (USP) that will grab their attention instantly. Some of the competitive advantages the hotels may propose are strategic location, fast and reliable service, a high standard of hygiene, and excellent customer relations.

Support a Strong Brand Positioning Statement

Bring all the findings together to create a statement reflecting the values and USP loud and clear to the target audience. An unbeatable brand statement packs a powerful punch with these four factors:

- **Target Audience:** Study the profile, demography, and behaviour of the hotel's audience.
- **Relevant Market:** Profile the market and category of the product or service and which market niche it fits into.
- **Brand Claim:** State the brand's promise that no other competitor can provide.
- **Support the Claim:** Back the claim up with supporting evidence.

Test the Brand Positioning Statement

To check whether the brand statement will work out successfully in the grand scheme of things, consider sampling with the audience. Ask the customers what they think about the brand's statement and message. Based upon such feedback surveys, modify and revise the statement till it gathers the highest approval rate. An important note to consider will be if a particular hotel is a challenger brand in the market that already has a leader in the niche. The hotels cannot claim to be the best in town but can constantly challenge the top brand's claims by stating what distinguishes the hotel's brand from the competitors.

In conclusion, a brand positioning strategy may seem like the light outside the tunnel for new brands trying to make their mark among existing competitors. However, it is also essential to understand how corporations and bigger establishments have teams of branding professionals that dedicate themselves solely to keeping the strategy moving with the times. Moreover, brand positioning is vital since it facilitates the three-star hotels to differentiate their service from the market competitors. As a brand, you need to display to your ideal audience what you do and have them invested in it. Brand positioning helps hotels to reach that target. It showcases what the business brings to the table and what is different about the hotels.

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AUTHORS' CONTRIBUTION

Zainuddin Zakaria wrote and focused on the introduction and conceptualization of the article. As for research methodology, Shaiful Azlan Abdul and Faten Fatehah Ahmad Ramli contribute their expertise in writing the paper by designing the structure, format, and English grammar. Faten Fatehah Ahmad Ramli also conducted the data collection of the raw data from the respective respondents. Mohd Khairi Ismail contributed to the writing of the literature review and the analysis of the raw data. Kartini Mat Rashid contributed to the writing of the manuscript by formatting the manuscript according to the template provided. She also wrote the conclusion and the references of the manuscript. All authors have read and agreed to the published version of the manuscript.

CONFLICT OF INTEREST DECLARATION

We certify that the article is the Authors' and Co-Authors' original work. The article has not received prior publication and is not under consideration for publication elsewhere. This research/manuscript has not been submitted for publication nor has it been published in whole or in part elsewhere. We testify

to the fact that all Authors have contributed significantly to the work, validity, and legitimacy of the data and its interpretation for submission to Jurnal Intelek.

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