



STRATEGIC POSITIONING AND ORGANISATIONAL PERFORMANCE OF HOTELS IN PORT HARCOURT

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Article history:	Abstract:
<p>Received: August 24th 2022 Accepted: September 24th 2022 Published: October 30th 2022</p>	<p>This study sought to examine the effect of strategic positioning on organisational performance of Hotel in Port Harcourt, Rivers State, Nigeria. The study was guided by four research questions and it was hypothesized that there is no significant relationship between the strategic positioning (which comprises cost leadership and product differentiation) while organisational performance was measured by market share and profitability. A sample size of one hundred and eighty-two (182) respondents was drawn from 105 hotels in Port Harcourt using the cluster sampling technique. Pearson Moment Correlation Technique was used in testing the hypotheses at 95% level of confidence. It was found that there is a strong positive and significant relationship between cost leadership and product differentiation possessed a strong significant relationship with market share; boasting of r value of 0.889 and 0.901 respectively. Meanwhile they showed low correlation with profitability as they revealed r values of 0.512 and 0.473 respectively. The study found that traditional marketing technique is insufficient to drive organisational performance in today's modern hotel business environment which is characterised with intense competition. To outperform competitors, the study recommends that hotel managers must strive to enhance their position in the minds of their target market by integrating cost leadership and product differentiating strategies into their marketing plan. However, these strategies should be implemented considering overall objective of the business and its unique environment. It is also imperative for hotel managers to take advantage of social media marketing platforms to create positive awareness and communication with the public. This will help boosts their position and ultimately induce higher patronage.</p>

Keywords: Strategic Positioning, Cost leadership, Product differentiation, Market Share, Profitability, Organisational Performance.

INTRODUCTION

Globalization, the constant and unpredictable evolution of information technology, and other factors have all contributed to the increasingly difficult competitive landscape in which businesses must operate in the twenty-first century (De Nisi, Hitt & Jackson, 2003). Thus, given the competitive and slow growth marketplaces that characterize most of today's trades, top executives have been busy striving to attain the needed performance; additionally, academics and industry experts have raised serious questions about the origins of such companies' competitive advantages. Most businesses improve their strategies to further solidify their hold on the market. The survival and success of a business depend on its ability to stay ahead

of the competition and consistently deploy effective strategies (Athiyaman, 2005). As competition becomes fiercer, many businesses develop novel and successful ways to set themselves apart from rivals. Shareholder value, customer value, and the firm's agility to adapt to a volatile market are all components of what make an organisation competitive. Each of these factors should be considered in context rather than as independent variables. According to Athiyaman (2005), companies have been shaken from their complacency by the advent of liberalisation and a more competitive economic climate, prompting them to don new lenses with which to see the world. Developing strategic visions that place firms in a favourable light in the eyes of their customers is crucial



to their continued success. As an example, Hax (2010) said that many companies have embraced strategies including strategic alliances, diversification, mergers, and acquisitions, suggesting that more and more business leaders are starting to think along these lines. To consolidate market, competition, and segment analysis with internal company analysis, strategic positioning plays a crucial role, as indicated by Simiyu and Makhamara (2020). Successful contemporary companies, including the hospitality industry, rely heavily on strategic positioning (Simiyu, & Makhamara, 2020). Customers would be more likely to return if the company had a strong marketing culture that valued competitive strategic positioning (Aline, Irechukwu & Henry, 2019; Ries & Trout, 2000). Therefore, Nigerian hospitality industry cannot be left out; most especially hotels in Port Harcourt; there is need to drive organizational performance through the adoption of the right positioning strategies; a trail which this study seeks to champion.

The problem of this study stems from the fact that each hotel in Port Harcourt must compete aggressively for customers if it wants to stay in business. Due to the commoditization of the hotel industry, hoteliers must find ways to set themselves apart from the competition and secure a dominant position in the minds of their target consumer (Mattila, 2006). Effective positioning strategy is essential for hotel managers who want to establish their brands in the minds of their target customers (Aline, Irechukwu & Henry, 2019; Ries & Trout, 2000; Chew, 2003). The hospitality industry is no different from any other in that businesses aim to increase their market share by any means necessary; in fact, the industry has recently faced competitions that are thought to be fiercer and more intense than ever before. The goal of most hospitality organisations is to increase their share of the market; therefore they've adopted new strategies like focusing on customer service and using social media marketing to establish themselves as an industry leader. Traditional marketing methods may not be sufficient in today's highly competitive hospitality industry to ensure sustained growth and profitability. However, a marketing culture that places a premium on competitive strategic positioning can help businesses attract and keep customers, leading to increased revenue (Aline, Irechukwu & Henry, 2019). The only way for a hotel chain to make a profit is to implement measures to strengthen the company as a whole and strengthen its position as the industry leader. It is widely acknowledged that strategic positioning is an important tool for oil companies to better compete in today's market and boost their bottom lines (Munene, 2013). In

a study of five-star hotels in Nairobi, brand positioning strategies were shown to have a substantial impact on the competitive advantage of the hotels as a whole by Nyambura (2012). According to the findings of Farhiya's (2015) study on strategic positioning as a source of sustained competitive advantage, the adoption of such a strategy gives a foundation upon which to construct and organise the delivery of the NGO's mission. According to research by Kanini (2016), insurance companies in Kenya use a number of different positioning strategies—including cost leadership, product differentiation, product usage, competitor analysis, and company objective positioning—to maintain their competitive edge. Strategic positioning was shown to have a significant impact on the success of Korea's airline business, according to research conducted by Kim, Song, and Koo in 2008. The research found that an organisation's competitive edge might come from low manufacturing costs, low service costs, or low operating costs.

Research to the same effect has shown that strategic positioning is crucial to a company's success. Several studies (Aline, Irechukwu, & Henry, 2019; Ries & Trout, 2000; Munene, 2013) have highlighted the importance of various business strategies. However, Simiyu and Makhamara (2020) argued that strategic positioning is particularly important because it integrates external factors like market and competitive analysis with internal ones like segmentation. However, as important as strategic positioning is to firm success across a wide range of sectors, including oil and gas, finance, and telecommunications (Nyakondo, 2010), (Kasyoka, 2011). Strategic positioning studies in the hotel sector are few and mostly conducted in countries other than Nigeria. Even more concerning is the fact that academics and hotel managers in Port Harcourt have not begun to recognise strategic positioning as a means of enhancing business effectiveness. No studies on the effect of strategic positioning on the performance of hotels in Port Harcourt have been found by the researcher. Therefore, the purpose of this research is to fill these gaps by providing an empirical examination of the impact of strategic positioning on the performance of hotels in Port Harcourt. The impact of cost leadership and product differentiation on hotel performance, measured by market share and profitability, will be the primary foci of the research. As a result, the research not only stated but also answered the following four research questions and hypotheses:

Research Question1: *What is the relationship between cost leadership and market share?*

Research Question 2: *What is the relationship between cost leadership and profitability?*



Research Question 3: *What is the relationship between product differentiation and market share?*

Research Question 4: *What is the relationship between product differentiation and profitability?*

- H₀1:** *There is no significant relationship between cost leadership and market share*
- H₀2:** *There is no significant relationship between cost leadership and profitability.*
- H₀3:** *There is no significant relationship between product differentiation and market share.*
- H₀4:** *There is no significant relationship between product differentiation and profitability.*

The results of this study are expected to bolster existing understanding of the topic. Hotel managers will learn the value of strategic positioning and how to apply it to increase revenue and guest satisfaction. This study will focus on strategic positioning, with a focus on cost leadership and product differentiation, since these are two of the most effective means by which hotels may increase revenue and customer loyalty. The findings of this study should inspire hotel executives to assess how their positioning choices affect their share of the market. Specifically, it aids professionals in understanding strategic positioning, especially in the hospitality sector in Port Harcourt and Nigeria.

Theoretical Review

The theories on which this study is anchored are the Competitive Advantage Theory and Capability-Base View Theory.

Competitive Advantage Theory

Porter put out his theory of comparative advantage in the market. (1985). The study posits that in order to maximise profits, firms should prioritise techniques that result in the production of premium products that command a higher price point. National plans should concentrate on fostering productivity development, according to Porter (1985). An organisation has a competitive advantage if it is able to outperform rivals in the same market by virtue of superior features and resources. Current concerns about the most successful companies in today's cutthroat marketplace have piqued academic curiosity around the concept of competitive advantage. When a company is able to carry out a value-creating plan without interference from any present or potential competitors, they are said to have a competitive advantage. (Simiyu, & Makhamara, 2020). The notion of competitive advantage is pertinent to this investigation since it proposes that a firm's distinctive characteristics provide

it an advantage in the marketplace. Therefore, well implemented positioning strategies increase a company's performance by providing the company with a competitive edge to beat out current and future competitors (Passemard & Calantone, 2000). A company's business strategy may affect the many resources over which it has direct control, and these resources have the potential to deliver greater performance, so increasing the company's performance and competitive advantage. A higher performance allows you to dominate the market and set yourself out from the competition. According to this notion, in order for a company to achieve more success than its peers in the same market, it must actively seek out ways to differentiate itself. Organizations, and hotel chains in particular, may enhance their performance in a number of ways; one of the most essential of them as identified by scholars and industry experts is the positioning strategy (Simiyu, & Makhamara, 2020; Aline, Irechukwu & Henry, 2019; Ries & Trout, 2000; Munene, 2013).

Capability-Base View Theory

The authors of this theory are Amit and Shoemaker. (1993). Advantage in the marketplace comes from a company's competencies, which in turn come from its resources. (Grant 1991). Resources do not contribute to sustainable competitive advantages for an organization, but capabilities can, as argued by Amit and Shoemaker (1993). Haas and Hansen (2005) reaffirmed the relevance of abilities and said that an organisation's ability to utilise its capabilities to execute key tasks inside the organisation may provide it a competitive edge and lead to better performance According to Amit and Shoemaker (1993) capabilities are a firm's capacity to deploy resources, typically in combination using organizational processes, and affect a desired end. In this context, "knowledge-based" refers to information-based, physical or intangible processes that are unique to an organisation and have evolved via the cumulative interactions of its many resources over time. Grant (1996) defines organisational competence as the ability of a business to execute repeatedly a productive job that connects directly or indirectly to the firm's capacity to create value via the translation of inputs to outputs. Organizational learning was emphasised throughout the theory, and it was suggested that capability development and organisational learning are both implicit and explicit components of every successful business strategy. The ability to learn and generate new information is critical for enhancing performance and establishing a competitive edge (Haas, & Hansen, 2005). Grant (1996) investigated the connection between a company's success and its internal capabilities and external networks. According to this

proposition, businesses with high dynamic capabilities are better able to distinguish themselves from competitors in the market because their products are more distinctive. According to this theory product differentiation is a product of dynamic capabilities which is a predictor of firms' performance. Hotel managers are encouraged by the philosophy of this theory to look

inwards and harness their innate capabilities to engender strategic positioning in the industry.

Conceptual Review

A fairly detailed discussion of the major concepts of this study has been presented below. This is to enable the reader have a fair grasp and understanding of the concepts as they pertain to the study. The construct is captured in the conceptual framework below:

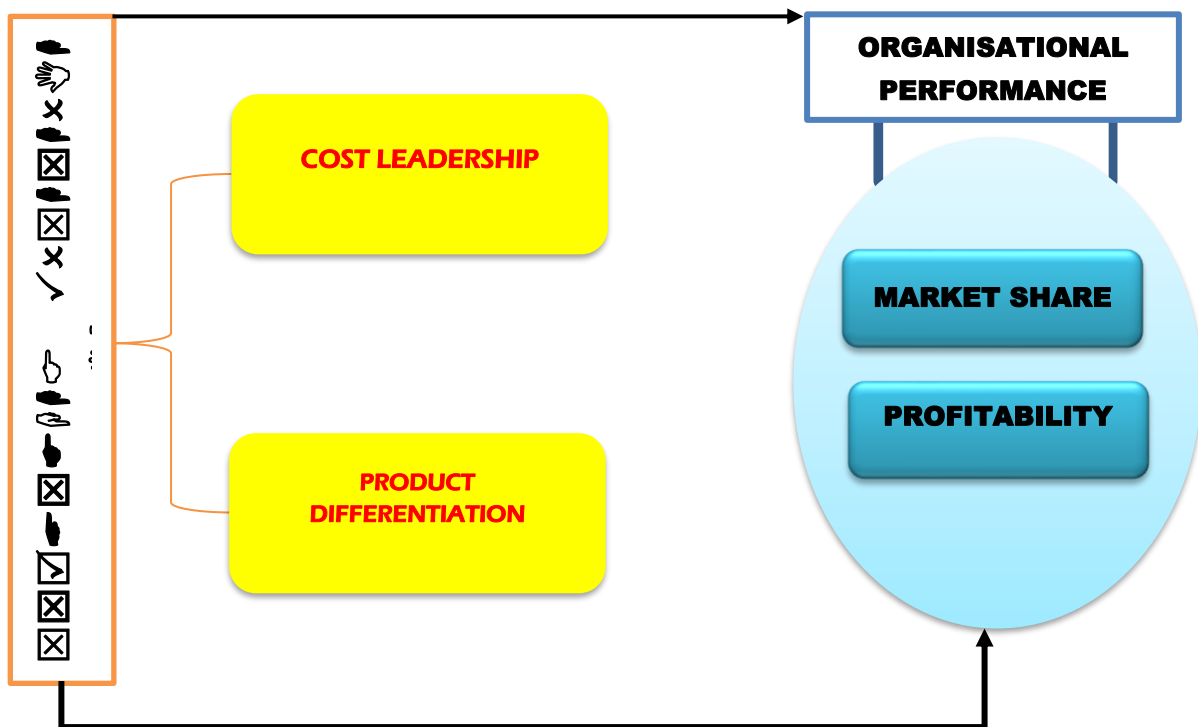


Figure 1: Conceptual Framework of the study
 Source: Researchers' Conceptualisation

The Concept of Strategic Positioning

Management's choice of where its brand and corporate image will sit in a particular market, down to the specific advantages to be highlighted and customer subsets to be pursued, is at the heart of strategic positioning (Rupert, 2017). Positioning, then, is a tactic used to zero in on target markets and allocate resources accordingly. A strategic positioning and continuous improvement system is widely regarded as a critical aspect for success in today's highly competitive world (Yu & Lindsay, 2011).

The goal of positioning is to differentiate a product or service from its competitors by influencing how consumers feel about its features and benefits (Arnott, 2002). Strategic positioning, according to Temporal (2005), is "a deliberate effort to get people to consider how your product or service is different from and better than the competition's." Positioning reduces

competitiveness in a segment of the market since it stands for imitability that is questionable. According to Temporal (2005), there are four stages in the strategic positioning process. These stages are: (1) understanding the current position of the organisation; (2) understanding the desired position of the organisation in terms of where you want to take the organization, what you want the organisation to be, what you want the organisation to achieve, and what it should have; (3) taking action to get there; and (4) evaluating the success of the actions taken.

Business executives use strategic positioning to hone an overarching plan for competing in a global marketplace by setting themselves apart from other companies (Shaoming, 2010). Positioning is a powerful tool for brand building (Aline, Irechukwu, & Henry, 2019). Positioning strategy is important since it allows for very adaptable consumer access (Tallman, 2001). A



company's strategic positioning in relation to its rivals is heavily influenced by the extent to which it has a sustainable competitive advantage. Therefore, company managers must address both global best practises and local factors; this is especially important when it comes to strategic positioning in the Nigerian hotel sector.

Strategic Positioning Strategies

Companies may plan their quality, productivity, and marketing strategies in light of their competitive positioning. To do this, one must alter their standing in the eyes of their target audience. As a result, organisations must either reinforce or alter the image they provide to customers. This has significant implications for marketing strategy, including the quality and output of products and services. Various placement methods have been found by researchers (Porter, 1979, 1985; Munene, 2013; Simiyu, & Makhamara, 2020). Both price leadership and product differentiation would be taken into account in this analysis.

Cost Leadership Positioning Strategy

In his study, *Competitive Strategy*, Michael Porter identifies cost leadership as one of three overarching business strategies (Porter, 1980). To be cost-effectively competitive, one must always look for ways to reduce expenses. The ability to source rare or expensive raw materials, form special alliances with distributors or retailers, or increase volume manufacturing all have the potential to reduce overhead expenses. Most companies that consistently beat the competition in terms of cost have either gone vertical or integrated into high value added, unique components and services. The strategy's end objective is to increase demand for the company's low-priced products within a certain market. Businesses that use this approach want to reduce expenses at every stage of the value chain (Thompson & Strickland, 1996).

To gain market share via a costing strategy, a company must be able to provide its goods or services to clients at lower prices than its rivals. Cost-cutting measures will be used all the way through a company's operations, beginning with product development and ending with sales. In order to keep costs down, it is important to outsource any activities that do not directly contribute to doing so (Akan et al., 2006). A competitive advantage and larger market share may be achieved by keeping costs low so that the company can sell relatively standardised items at the lowest possible price while still making a profit.

Product Differentiation Positioning Strategy

Making goods and services that stand out from the crowd is key message of product differentiation

positioning strategy. Differentiation, as defined by Porter (1980), entails developing a product that stands out from the competition. If this tactic is to succeed, the special qualities or advantages must deliver exceptional worth to the buyer. Customers have less price elasticity of demand and are more loyal to the brand when they believe the product is superior to competitors' offerings. This may serve as a formidable barrier to entry. Differentiation, as defined by Mercer (1992), is setting a product or service apart from the competition via strategic positioning. That's why it's so important for businesses to set their products apart from the competition. More specialised products or services tend to have indirect competitors. A product differentiation strategy is used when a business aspires to stand out from the competition by providing a product with characteristics that are valued by the vast majority of customers. It zeroes down on one or more distinguishing characteristics and sets itself up to fulfill those needs. Product differentiation increases demand, which in turn boosts revenue (Munene, 2013).

A company's ability to successfully differentiate its products is critical to its success. According to Porter's (1980) thesis, companies may outperform their rivals if they have competitive advantages in the form of either cost leadership or distinctiveness. Success in implementing either a differentiation or cost leadership strategy puts an organisation in a better position to achieve excellent performance in the present, as subsequent research has shown. When compared to the cost leadership achieved via operational improvements and efficiency, the differentiation approach relies on product innovation or services that are seen as being distinct from rivals. However, in the long run, a company's success depends on how successfully its selected business plan is implemented (Rupert, 2017). Strategy, industrial economics, and marketing all point to differentiation as the key to increased profits. To put it simply, higher prices may be commanded via distinction. Successful businesses, as stated by Raduan, Jegak, Haslinda, and Alimin (2009), are those who do something novel and difficult for their rivals to duplicate. In order to persuade consumers of the value of sustainable products, firms need to have a firm grasp of the current competitive situation (Pondeville, Swaen, & de Rongé, 2013).

While the manufacturing and consumption stages of the hotel industry are often experienced concurrently, hotel services are mostly intangible. Most services are provided to clients via some kind of exchange between the buyer and the vendor. Service quality may be thought of in a general sense as a customer's subjective evaluation of an organisation and its service offerings



based on their contacts with the company. Lewis and Soureli (2006) observed that the nature of the service industry makes it harder to conceptualise loyalty than the product domain. Customers are less likely to leave their service provider when their connection with them becomes stronger over time. This highlights the fact that hotel managers have a lot of leeway in how they choose to distinguish their goods, and those qualities like customer focus, friendliness, and promptness in delivering services may help them secure a favourable position in their visitors' perceptions.

Gaining Strategic Position Through the use of Social Media

Positioning the company advantageously in the marketplace is one of the primary goals of marketing strategy. In contrast, promotion is the process of educating, convincing, and swaying a consumer to make a purchase. Promotional activities include a wide range, from commercials and discounts to personal sales and PR. Advertising, especially when done through social media, is often regarded as the most effective kind of marketing (Nambisan & Baron, 2007). Consumer marketing, trade advertising, and in-house sales teams are all examples of promotional channels. The goal of advertising is to increase demand for a product by informing, persuading, and influencing consumers to see the product in a favourable light and make a purchase as a result. The advertising landscape of today's businesses, however, extends well beyond the realm of print publications, broadcast television, and newspapers. How businesses and consumers interact with one another has been revolutionised by social media (Nambisan & Baron, 2007).

Consumers are spending more time online, engaging in more online activities, and making more online connections than ever before because to the proliferation of social media and other online technologies. More and more people are turning away from traditional media outlets in favour of social media networks and other online resources (Mangold & Faulds, 2009; Bambauer-Sachse & Mangold, 2011). For the future generation, this is of paramount importance. There are several definitions of social networks on the web, but the most common is that they are "a group of people who share and exchange information and ideas" (Chauhan & Pillai, 2013). There is a wide range, but limited cap, of ways in which social media might impact strategic positioning. The importance of two-way communication with consumers is becoming more and more recognised by businesses (Li & Bernoff, 2011). There is no one-size-fits-all answer, but social media is intriguing for most companies because it allows for a direct and open approach to developing relationships

between customers and a company's brand (Fournier, 1998; Fournier & Avery, 2011; Fournier et al., 1998). Since potential tourists and guests can learn more about hotels and their product and service offerings via social media channels like Facebook, Youtube, Instagram, Tiktok, Twitter, and many others, the hotel industry can't afford to lag behind in this marketing trend. The hotel industry may now promote itself to a larger audience. Since there are many various types of social media users online, businesses and their managers may tailor their offerings to appeal to each demographic. They would soon be able to look back on this period as being pivotal

The concept of Organisational Performance

One of the most crucial factors in management studies is an organisation's performance, since it is the most telling sign of its health. Given the high levels of competition and the many challenges posed by globalization, it is imperative that every serious business endeavour to gain an advantage over its rivals. Most businesses have found this to be a bit of a difficulty because of the stringent skill requirements. The success or failure of an organisation may be gauged by comparing its actual results with its planned outcomes, or its aims and objectives (Alqudah, Osman & Safizal, 2014). The efficiency of a company as measured by its stock turnover, customer base, profits, and market share is what we call "organizational performance." Since making a profit is the primary goal of every enterprise, the notion of organisational performance is fundamental. That's what Iravo et. According to et. al. (2013), research on the determinants of organisational success has been motivated by the issue of why some businesses thrive while others fail.

According to Fwaya (2006), a company's performance may be defined as a mathematical formula used to rate its efficiency in relation to factors like output, employee satisfaction, and profitability. Strategic management, according to Nzuve and Nyaega (2011), is mostly on defining and assessing performance, hence performance management and improvement are central to the discipline. High profits and the ability to pinpoint organizationally-wide performance factors are prerequisites for every thriving business. Organizational performance, as described by Richard, Devinney, Yip, and Johnson (2009), is measured by contrasting these four key indicators of business success. Financial success is measured by things like return on assets, returns on investments, and profits; product market performance is measured by things like sales and market share; and shareholder return is measured by things like return on investment. Market share and profitability will be used as indicators of success from



both the customer and financial viewpoints in this analysis.

Market Share

Market share is a crucial parameter for measuring the performance of hotels. This is because the main reason for the existence of hotels is for customers to patronize the services provided and to do so ahead of their rivals. This in turn is expected to positively affect the revenue generated. Hence the survival of any hotel business is largely dependent on the level of patronage it receives; and every other outcome measure is a function of the patronage level. Market share is the fraction or percentage of a market that it controls. A firm's market share may be defined as the percentage of an industry's total sales that a certain company accounts for (Loo, 2013). The market share of a firm is the proportion of sales in a certain market segment that are accounted for by that company. How much of a footprint does the organisation make in a certain market? (Indeed, 2023). Hotels that maintain detailed sales records often know how many of each kind of room they sell. However, they may be unaware of how much of the market they really control. It is important for hotel managers monitor their share of the market; this would not only give them the idea of how well they are performing in the industry, it also serve as a yardstick for setting higher performance target.

Profitability

There is a significant difference between profitability and profit. The difference between profit and profitability is that profit is an absolute value. It's a measure of how well a business is doing financially relative to its size. A company's capacity to turn a profit is one indicator of its efficacy and, by extension, its fate. One definition of profitability is the rate at which a corporation may recoup its investors' capital relative to other investment opportunities. Making a profit is not always indicative of a successful business. Making a profit is the primary objective of every business. If the company is not making money, it won't last. That's why it's so important to look at profitability now, profitability in the past, and profitability projections for the future. Profitability may be calculated by analysing income and expenses. The word "income" is used to describe the funds generated by a business. Profit maximisation is a top priority for every business leader. Business leaders are often testing new positioning tactics in an effort to increase profits (Walker, 1974).

Empirical Review

Effective positioning strategy is essential for hotel managers who want to establish their brands in the minds of their target customers (Aline, Irechukwu & Henry, 2019; Chew, 2003). It is widely acknowledged

that strategic positioning is an important tool for oil companies to better compete in today's market and boost their bottom lines (Munene, 2013).

Nyakondo (2010) looked at what factors are influencing the banking sector to embrace strategic positioning on mobile banking; this is just one example of the many studies that have been undertaken on the impact of strategic positioning on organisational performance. He discovered that certain financial institutions have implemented mobile banking to a limited level, with a focus on mobile banking deployment as a means of strategic positioning as a revenue generator, image enhancer, and customer happiness booster. In a study of five-star hotels in Nairobi, brand positioning strategies were shown to have a substantial impact on the competitive advantage of the hotels as a whole by Nyambura (2012). According to the findings of Farhiya's (2015) study on strategic positioning as a source of sustained competitive advantage, the adoption of such a strategy gives a foundation upon which to construct and organise the delivery of the NGO's mission. According to research by Kanini (2016), insurance companies in Kenya use a number of different positioning strategies—including cost leadership, product differentiation, product usage, competitor analysis, and company objective positioning—to maintain their competitive edge. Strategic positioning was shown to have a significant impact on the success of Korea's airline business, according to research conducted by Kim, Song, and Koo in 2008. The research found that an organisation's competitive edge might come from low manufacturing costs, low service costs, or low operating costs.

Research to the same effect has shown that strategic positioning is crucial to a company's success. Nyakondo (2010), for instance, looked at what variables prompt financial institutions to take a proactive stance on mobile banking. He discovered that certain financial institutions have implemented mobile banking to a limited level, with a focus on mobile banking deployment as a means of strategic positioning as a revenue generator, image enhancer, and customer happiness booster. On the other hand, Kasyoka (2011) investigated how Safaricom limited used strategic positioning to get an edge in the market and found that the company was able to preserve its competitive advantage because to innovative use of technology. In fact, Simiyu and Makhamara (2020) suggested that strategic positioning plays a vital role among all these strategies since it integrates market research, competition analysis, and segment analysis with internal company analysis.



Nonetheless, as important as strategic positioning is on company performance in sectors as varied as oil and gas, telecommunications, finance, and manufacturing, none is more important than the others. Strategic positioning studies in the hotel sector are few. Even more concerning is the fact that academics and hotel managers in Port Harcourt have not begun to recognise strategic positioning as a means of enhancing business effectiveness. No studies on the effect of strategic placement on the performance of hotels in Port Harcourt have been found by the researcher.

Methodology

The survey research design was adopted for this work; and data was generated through the primary source via an instrument developed by the researchers for this study. The data so generated from the study sample formed the basis for the analysis; and the result was used to make relevant inference upon the target population. The target population, comprised hotels in Port Harcourt which numbered four hundred and eleven (Hotels.ng, 2023). Of this number, only two hundred and eighty (280) are registered with the relevant government agency; in this case, the Rivers State ministry of tourism and Culture. The researchers used the cluster sampling technique to select proximally located hotels (with at least twenty standard rooms and a minimum of ten staff) within the Aba road, Ikwerre road, Government Residential Areas, Stadium Road, old

Port Harcourt town and Diobu areas of Port Harcourt. This reduced the number to one hundred and five hotels. Two copies of the survey instrument were administered to each of these hotels; consequently, the accessible population comprised the two hundred and ten (210) managers of these hotels; leaving us with a sample size of 210 managers. Experts in the field reviewed copies of the instrument and provided input on its validity in a variety of areas. To guarantee the instrument's face and content validity, these recommendations were evaluated and included into the final draught. The validity of the research was guaranteed by using a test-retest design. A score of 0.82 was obtained, indicating the dependability of the instrument. Pearson Moment Correlation Technique, a parametric statistical method for testing hypotheses with a 95% level of confidence; yielding a significant level of 0.05, was used to examine the data collected for the research. This analysis was aided with the use of Statistical Package for Social Sciences (SPSS).

Analysis and Results

A total of two hundred and ten (210) copies of the questionnaire were administered; one hundred and ninety six (196) was retrieved; this gave rise to 93.3% response rate. Out of this number, only one hundred and eighty-two (182) was found to be valid for the analyses. This resulted to 86.6% valid response rate which was consequently used for analysis.

Table 1: Correlations

		Cost Leadership	Market Share
Cost Leadership	Pearson Correlation	1	.889*
	Sig. (2-tailed)		.001
	N	182	182
Market Share	Pearson Correlation	.889*	1
	Sig. (2-tailed)	.001	
	N	182	182

** . Correlation is significant at the 0.01 level (2-tailed). The result showed the correlation result for hypothesis one. The correlation value r of .889 depicted a strong significant relationship between Cost leadership positioning strategy and market share. The correlation showed a statistic (P=0.889, p<0.005) indicates that

there is a strong positive relationship between the two variables. Furthermore, the (r²) value of .790 revealed that cost leadership can predict market share of Hotels in Port Harcourt to the tune of 79%; thus the null hypothesis is not upheld.

Table 2: Correlations

		Cost Leadership	Profitability
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Cost Leadership	Pearson Correlation	1	.512*
	Sig. (2-tailed)		.001
	N	182	182
Profitability	Pearson Correlation	.512*	1
	Sig. (2-tailed)	.001	
	N	182	182

** . Correlation is significant at the 0.01 level (2-tailed). The result showed the correlation result for hypothesis two. The correlation value r of .512 depicted a moderate significant relationship between Cost leadership positioning strategy and profitability. The correlation showed a statistic ($P=0.512$, $p<0.005$) indicates that

there is a positive relationship between the two variables. Furthermore, the (r^2) value of .262 indicates that cost leadership can only predict profitability of Hotels in Port Harcourt to the tune of 26.2%; thus the null hypothesis is not upheld.

Table 3: Correlations

		Product Differentiation	Market Share
Product Differentiation	Pearson Correlation	1	.901*
	Sig. (2-tailed)		.001
	N	182	182
Market Share	Pearson Correlation	.901*	1
	Sig. (2-tailed)	.001	
	N	182	182

** . Correlation is significant at the 0.01 level (2-tailed). The result showed the correlation result for hypothesis three. The correlation value r of .901 depicted a strong significant relationship between product differentiation positioning strategy and market share. The correlation showed a statistic ($P=0.901$, $p<0.005$) indicates that

there is a strong positive relationship between the two variables. Furthermore, the (r^2) value of .811 indicates that product differentiation can predict market share of Hotels in Port Harcourt to the tune of 81.1%; thus the null hypothesis is not upheld.

Table 4: Correlations

		Product Differentiation	Profitability
Product Differentiation	Pearson Correlation	1	.473*
	Sig. (2-tailed)		.000
	N	182	182
Profitability	Pearson Correlation	.473*	1
	Sig. (2-tailed)	.000	
	N	182	182

** . Correlation is significant at the 0.01 level (2-tailed). The result showed the correlation result for hypothesis four. The correlation value r of .473 depicted a low but significant relationship between product differentiation positioning strategy and profitability. The correlation showed a statistic ($P=0.473$, $p<0.005$) indicates that there is a positive relationship between the two variables. Furthermore, the (r^2) value of .223 showed that product differentiation can predict profitability of Hotels in Port Harcourt to the tune of 22.3%; thus the null hypothesis is not upheld.

DISCUSSIONS

This study sought to examine the impact strategic positioning on organisational performance of Hotels located in Port Harcourt, Rivers State Niger. Specifically, strategic positioning was with cost leadership and product differentiation while market share and profitability was adopted as the measure of organisational performance; resulting to the formulation of four research hypotheses which were



subjected to statistical analysis. The results and findings are discussed hereunder.

The first findings of this study stemmed from the first and second hypotheses. The result showed that cost leadership has a significant relationship with market share and profitability with r value of .889 and .512 respectively. Although the finding demonstrated a moderate relationship between cost leadership and profitability, it was a robust predictor of market share. These findings are consistent with the literature (Kasyoka, 2011). Cost leadership positioning strategies have been shown to improve business performance (Porter, 1980) and customer retention (Aline, Irechukwu, & Henry, 2019), implying more market share. Despite evidence suggesting that cost leadership should lead to increased profits, the reality that hotels' bottom lines are impacted by a wide variety of circumstances means that this may not be the case.

The second findings of this study stemmed from the hypotheses three and four. The result showed that product differentiation has a significant relationship with market share and profitability with r value of .901 and .473 respectively. However, while the result showed that product differentiation is a strong predictor of market share, it only showed a low relationship with profitability. These results are tandem with previous findings for instance, Thompson and Strickland (1995) found that differentiation seems to lead to higher profitability, since it allows a company to charge greater pricing. While other studies like (Jackson & McConnell, 1988; Scherer, 1990; Aline, Irechukwu & Henry, 2019) confirmed similar findings.

CONCLUSION AND RECOMMENDATIONS

This study affirmed that there is a significant relationship between strategic positioning and organisational performance of Hotels in Port Harcourt, Rivers state, Nigeria. Specifically, it showed that cost leadership and product differentiation boasted of a strong correlation with market share meanwhile they exhibit a moderate relationship with profitability. The hotel business and hospitality industry as a whole is not an exception to the rule that business organizations frequently seek to gain competitive advantage over their rivals by continually looking for ways to outperform their competitor therefore managers must strive to adopt suitable positioning strategy to outperform their competitors. The following are specific recommendations of this study:

- i. Hoteliers must find ways to differentiate their goods and services from those of their rivals with unique features and price offerings in the fiercely competitive hotel

industry as this was proven to be a good predictor of market share.

- ii. A robust marketing culture which treasured competitive strategic positioning should be enshrined in the marketing efforts of Hotels in Port Harcourt to enhance customer retention which in turn could result produces higher return.
- iii. With the advent of smart business approaches, technology, social media marketing, hospitality businesses managers must make efforts to hold a strategic position in the minds of their target market via the use of social media and other modern technology.

FUTURE RESEARCH

This research may be used as a starting point for similar studies in the future, particularly in service-oriented sectors like the hospitality and tourism industries. This is crucial in determining whether or not the results of this research can be trusted. Strategic positioning's efficacy in Nigeria's many sectors may be investigated through a comparative analysis of the impacts of strategic positioning across industries.

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