

Innovative Positioning as a Marketing Tool of Retailers on the Food Market

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ABSTRACT

Objective: The aim of the paper is to develop the theory of retail business positioning as a part of marketing innovation-based strategy. It is proposed that innovative retail formats and business models should be included in it.

Research Design & Methods: The critical literature review on the existing dimensions of business positioning as well as the new, suggested dimensions is made. General trends in food retailers' positioning in Poland and the positioning strategy development of Carrefour are analysed in the form of examples and a short case study. They are based on the secondary sources like academic papers, retail magazines and companies' web sites.

Findings: On the fragmented food markets retailers position themselves by introducing format innovations and stressing low price. Then they have to reposition themselves by attributes other than price. Big mass merchandisers are now segmenters.

Implications & Recommendations: In Poland the tendencies for buying natural, Fair Trade, diabetics, organic or functional products, as well as the focus on the elderly segment are opportunities for retailers. Yet, trading up creates new opportunities for discounters.

Contribution & Value Added: The paper contributes to the theory of retail positioning by linking elements of the marketing and the entrepreneurship approaches. It also develops knowledge about the Polish retail food market.

Article type: conceptual paper

Keywords: retail marketing; positioning; marketing innovations; entrepreneurship; food market

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INTRODUCTION

Retailing, by its nature, is a very competitive business due to the existence of many ways of satisfying consumers' needs (many retail formats – store and non-store retailing), small entry barriers and the easiness of coping the successful models. The contemporary retail structure has been the result of introducing new retail formats since the middle of the twentieth century, which were radical innovations (the last one is selling via the Internet) and the successful internationalisation process which in the food sector has been very intensive since the eighties of the last century.

Along with these processes, which could be described as concentration and globalisation, retailers have more and more powerful position in distribution channels; they started to be called “gate keepers”, due to the fact that they could block a manufacturer's access to the market. Contemporary retailers, organised as chains, are rather leaders of distribution channels than passive executors of the manufacturer's policy. They introduce their own marketing strategies in which positioning, as the main marketing concept, is the key to build competitive advantage. This interpretation of the positioning concept is recognised in the literature. But the aim of this paper is to indicate a different point of view on retailers' positioning, which seems to be a much broader concept than this widely recognisable because it involves such dimensions as retail formats and business models. The new retail formats and business models are becoming an important marketing tool of contemporary retailers. In the practical part of the paper the processes of positioning and then repositioning carried out by retailers operating in Poland, after the political and economic changes taking place in the late eighties of the last century, are analysed. Different dimensions of positioning on the food market are illustrated by the case study of Carrefour.

Critical literature review, logical thinking, examples and case studies based on secondary data sources are used to fulfil the goal of the paper.

LITERATURE OVERVIEW

Positioning is a very important concept due to its role in developing competitive advantage (CA) but, in this context, it seems not to be recognised enough in academic publications on retail marketing. It has drawn the attention of economists (Alderson, 1937, 1965), theorists of management dealing with the problems of sustainable competitive advantage (Porter 2001, pp. 59-65) and, lately, marketing specialists (Kotler, 1994, pp. 87-88). Here, the attention is focused on the marketing aspect which is becoming important on saturated markets.

Positioning as a marketing concept could be traced to the early views of the development of competitive advantage. Alderson (1937; 1965) indicated that suppliers should specialise to satisfy different needs of the buyers. In the paper *A Marketing View of Competition* (1937) he wrote “The specialized supplier in a segmented market does not behave like a monopolist. He seeks profits of adaptation, which are profits of efficiency but broader in scope, involving not only the idea of doing a given job well but also that of picking the right job to do”. It means that a company must adapt to the changing environment. Alderson also contributed to the contemporary view of the positioning concept, indicating that companies should strive for working out unique attributes and in this way differentiate from competitors. In his opinion, differentiation could be achieved by lowering prices, the selectiveness of

advertising messages, changes in the existing product, as well as introducing innovations. Thus, Alderson in the concept of positioning includes some elements related to marketing activities (low prices or advertising), as well as to entrepreneurship (innovations).

Along with the development of the theory of marketing, this concept has become more and more related to marketing activities of companies. Some authors, like Ries and Trout (1982; 1997), associated it, first of all, with promotional activities, while others (Kotler, 1994) with the whole marketing strategy. Ries and Trout (1982, p. 2) claimed that positioning involves influencing prospective customers' awareness and finding the way to place our product in the prospective customers' mind by saying "positioning is not what you do to a product. Positioning is what you do to the mind of the prospect". Kotler (1994, pp. 270-289) considered positioning as the stage of the marketing strategy development, at which the differentiation of the product range or/and the company in relation to its competitors is made, in order to satisfy customers' needs better. The characteristics used in the positioning process include: price, tradition, fashion, ingredients, durability, country of origin, and so on. He stressed the role of positioning as a marketing tool in developing competitive advantage and also addressed some issues of retail positioning (Kotler, 1994, pp. 523-25).

The foundations of the theory of retail marketing were established by Lazer and Kelley (1961). They identified five basic characteristics of strategic marketing management and tools of retailing mix which should be used by retail companies, such as:

- planning, which involves identifying goals and programmes of their achievement,
- consumer orientation in which marketing philosophy is much more important than marketing tools,
- system approach in which the retail organisation is perceived as the complex system of activities; its focus is on the integration of the resource utilisation of retail businesses to satisfy current market needs, and the exploitation of future opportunities,
- management of changes, which means creative adjustment of retail business to the changes which take place in the turbulent environment,
- Innovations, which are crucial for business success, thus, the attention should be drawn to research and development.

As far as the retailing mix is concerned, Lazer and Kelley (1961) proposed three main marketing tools: 1. Merchandise and services which also include prices, 2. Location with the physical distribution, 3. Promotion. All of them can be perceived as the basics for successful targeting and positioning.

The role of marketing management in business has been growing along with changing their position in distribution channels. As a consequence, many of them are no longer just intermediaries; they could rather be described as "conductors of two-sided platforms that serve as ecosystems in which the value is created and delivered to customers..." (Sorescu *et al.*, 2011). It was reflected in the development of many different constructs of the marketing mix in retailing (Bilińska-Reformat, 2015, p. 57). Some of them, e.g. Sullivan and Adcock (2003), include positioning and image as a part of the marketing mix.

Levy and Weitz (2001) defined positioning in retailing as designing and implementing a set of instruments used in order to create a certain image of the retailer in the customer's mind in relation to the competition. Others (Walters & Laffy, 1996; Devlin *et al.*, 2003; Oppewal & Timmermans, 1997) focus on how retailers could differentiate. Walters and Laffy (1996) indicated that positioning in the retail sector involves integrated actions

in such areas as: the product range, the store format and its environment, the type and the scope of the services and amenities offered, communication with customers (Devlin *et al.*, 2003). Other authors such as Wortzel (1987), also Oppewal and Timmermans (1997) indicated price, product and services as the attributes which could differentiate a retailer from a competitor. In the new millennium a lot of attention is paid to own brand positioning, their role in store positioning and developing the retail patronage (Huang & Huddleston 2009; Collins-Dodd & Lindley, 2003; Diallo, 2012; Beristain & Zorrilla, 2011). This set of positioning attributes could be developed and specified but at this point it should be rather mentioned that the clear specification of target markets and tailoring the marketing offer to the customers' expectations makes this process effective.

All the above interpretations concern positioning as a part of the marketing process in which marketing tools (or retail marketing tools) are applied to achieve the expected image of the store. The positioning strategy starts from the choice of the target market and includes a description of the manner in which a given business will serve the customers and differ from the competitors, i.e. based on what values the company is planning to build its competitive advantage (Brooksbank, 1994). Successful positioning also requires an analysis of the image of the competitors' stores and the identification of the dimensions of its key image.

Retailers who want to cover a significant share of the markets, which are becoming more and more diversified, have to create different concepts of distribution and finally develop new separated models of retail sales for different groups of customers. The number of the markets targeted by retailers depend on the segmentation strategy they implement, which could be classified as the strategy of (Omar, 1999, p. 89):

1. Positioner – starts with the specific position aiming at a specific competitor.
2. Segmenter – starts with market segmentation.
3. Differentiation – starts with the marketing mix differentials.
4. Mass retailers – starts with similar marketing mix.

As an example – a mass retailer could become a segmenter if it discovers significant differences in various market components, then attempting to satisfy the needs of one or a few well-defined segments. With time, the segmenter becomes a positioner if segmentation policies are not paying off and if in the identified segments strong competition exists.

Selecting the right target market and the differentiation of a retail offer from competitors generate high level of satisfaction (Gilbert, 1999, p. 102). This offer includes merchandise, location, price level, store layout or the method of selling, the brand name and service, thus the whole marketing mix which is involved in developing an image reflecting retailers' positioning. Promotion plays a special role in this process because via its tools, particularly via advertising slogans, a message how the company wants to differentiate is communicated to customers. Therefore, positioning should not be restricted to the promotional process; the promotional statement could stay the same, while there are changes in the other elements of the marketing mix or on the contrary, promotional statement changes without changes in the other elements of the mix. The aim of positioning efforts is to create retail patronage for a store. Consumers patronise retailers from which they expect to receive the most value from shopping experiences and from the merchandise acquired (May, 1989; Chao & Tsuchiya, 2006).

Applying Aldersons' (1965) view on positioning in the retail sector, its members could also differentiate from competitors by introducing innovations. The most important for retailers are format innovations which represent a combination of particular levels of each ele-

ment of the retailing mix, such as: product assortment, pricing strategy, location, consumer interface, and so forth (Levy & Weitz, 2008; Grzesiuk, 2003). In case of the retailing development of new retail formats, e.g. a department store in the mid-nineteenth century, then mail order (the end of the nineteenth century), chain stores (1912), supermarkets were radical innovations (Schumpeter, 1947, p. 85). Those and other new retail formats (discount stores, hypermarkets and finally e-commerce which appeared on the market scene later) were the main competitive forces which determined the direction of changes of the market structure and the ways the profits were distributed. Each of them, when appearing on the market, started the process called the creative destruction which led to the bankruptcy of traditional retailers competing directly with the innovator (Bliss 1960; Anitsal & Anistal, 2011). On the other hand, the supernormal profits gained by the innovator encouraged competitors to copy its strategy, and as a consequence traditional retailers, in order to stay competitive, had to look for new ways to differentiate from the innovator, which finally led to trading up (Sorescu *et al.*, 2011). This process of changes for food mass -merchandisers is presented in Figure 1.

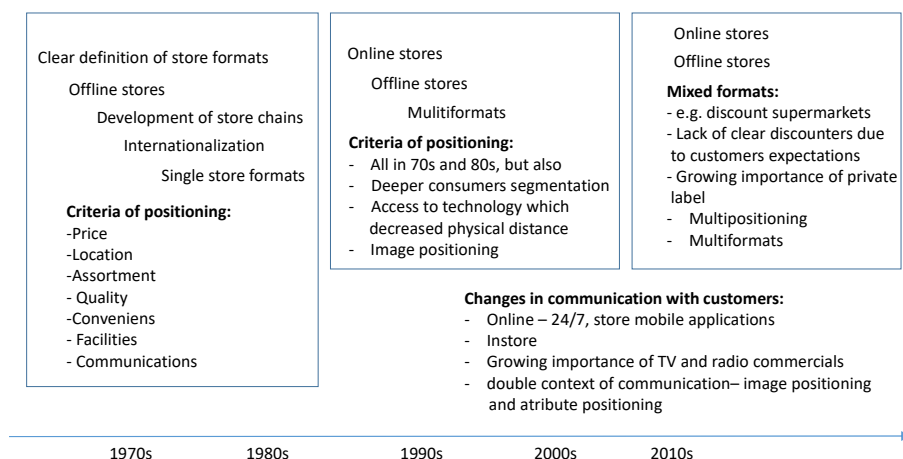


Figure 1. Evolution of the positioning concept in retail entities

Source: own concept.

Figure 1 shows that the first mass food merchandisers mainly operate on national markets and try to differentiate themselves by components of the marketing mix. Then, when the process of fast internationalisation started, they continue this policy but also add new dimensions of positioning due to the market development and the development of new technologies, mainly the Internet. At the third stage, mass merchandisers entered not saturated markets in which they could differentiate themselves by opening supermarkets, discount stores and hypermarkets, as well as new business models. New business models could be described as two or more retail formats belonging to multiple chain retailers whose operations are integrated to preserve and advance the retail brand equity (Sorescu *et al.*, 2011). Changes in retail business models could be considered marketing innovation (Sławińska, 2015). Innovations in the retail business model are related to such areas as operational efficiency, operational effectiveness and customer lock-in (value appropriation), as well as customer efficiency, customers effectiveness, and customer engagement (value creation) (Sorescu *et al.*, 2011;

Ślawińska, 2010). Introducing new business models which, e.g., facilitate shopping experiences, creates value. New business models and distinctive positioning provide opportunities to achieve extraordinary profits (economic rents) and competitive advantage (Sorescu *et al.*, 2011). New retail formats and business models are discussed in literature (Aleksander, 2008; Swoboda, 2013), although not in the positioning context. The aim here is to show that they could successfully differentiate a retailer from the competitors.

Positioning strategies are influenced by changes in the character of the market, the competitive environment and consumer behaviour. The food market is considered difficult to compete because consumers tend to compare prices. These characteristics have determined strategies of mass merchandisers operating on the food market for many years. They tried to reduce costs and position themselves on low prices. But because on a given market there could be only one price leader, they have to find also other attributes to differentiate, as for example, service. Now, one of the most important positioning attributes also on the food market, is own brand, which is difficult to copy (Śmigieliska & Stefańska, 2013).

Over the last thirty years, the competitive retail environment has changed dramatically. Retailers, even if they are small players, have to compete in the global environment, which is the result of fast retail internationalisation, also involving retailers offering food (Goldman 1993; Lal *et al.*, 2004). International companies have started to penetrate not only similar foreign markets but also the markets in less developed countries. The pressure for internationalisation forced e.g. Wal-Mart, the biggest world trade operator, to enter Germany and Great Britain. It created the threat and the interest of the national players to find their place on the market which will differentiate them from Wal-Mart (Ellickson *et al.*, 2012). Reinartz *et al.* (2011) indicated that global scale retailers have to establish a market presence (at the same time) on mature markets, emerging markets and less developed markets. They considered retail formats and branding (store brands and private label) as important dimensions of retailing innovation which to be successful should be tailored to the expectations of foreign markets. At that point it should be noticed that such innovations differentiate foreign companies from the local players so they could be considered a way of positioning. The focus of global players is on big, unsaturated markets, such as India or China where they could position themselves by a new retail format (Azeem & Sharma, 2015). Their expansion forces domestic companies to differentiate to sustain on the market (Skallerud & Grønhaug, 2010). Due to the fact that the consumption food patterns on these markets are quite different, they could cause problems with the positioning on a new market with fixed model and create opportunities for national players. International retailers also entered unsaturated markets of so called post-socialist countries and positioned by retail formats, already tested on home markets. These formats, like hypermarkets, supermarkets and discount stores, were very successful on food markets.

Fast changes and the differentiation of consumers' behaviour are both challenging and creating new opportunities for retail business positioning. On the one hand, retailers are forced to react to market changes, but on the other hand to shape them by promotional activities and educating customers. The starting point of both directions is to observe megatrends in economy, which indirectly or directly transfer into changes in consumption trends (den Hertog & Brouwer, 2000). One of the examples involves demographic changes, which led to the development of new segments, such as the elderly. Some retailers have started to target this group of customers because it is growing; its members want the products to be adjusted to the specific needs and they

are ready to pay for that. Thus, the retailers are interested in searching this market and developing retail patronage (Oates *et al.*, 1996; Teller *et al.*, 2013).

The presented literature review has shown that retailers have to face the challenge of own brand product, store, format and a new business model positioning, which influence each other. On the other hand, it should be noticed that in retailing introducing new format or new business models are innovations which could efficiently position (differentiate the retailer) from its competitors.

MATERIAL AND METHODS

The idea of the paper comes from the observation of the changes in the retail structure in Poland which inter alia highlighted the boost and then the stagnation of hypermarkets' development, the success of other retail formats introduced by Polish and foreign operators and changes in the way the foreign retailers wanted to be perceived. It was specified in the section setting up the aim of the paper: the development of the theory of retail business positioning as part of marketing strategy. The literature studies on positioning and retailers' positioning have shown that retailers could also differentiate themselves by introducing new formats and new business models which could be considered marketing innovations.

Some desk research has been conducted, which includes academic papers, retail magazines, companies web sites to find out how the companies in Poland differentiate from competitors. A case study illustrating the development of Carrefour positioning strategy has been elaborated to find out if the role of new retail formats really matters and if the trend of repositioning is taking place. Foreign retailers, which started to develop very fast on the Polish food market since the mid-nineties, positioned themselves by introducing new retail formats, such as supermarkets, hypermarkets, discount stores (Knezevic & Szarucki, 2013), which compete on price. It was visible in their promotional campaigns where they stressed low price as the main benefit. Some Polish food retailers differentiated successfully from them by finding a market segment which was not sufficiently served. When competitors – mainly foreign supermarkets, hypermarkets and discounters – position themselves on price, Piotr i Paweł or Alma, deli chains, succeed by offering high quality products to customers (Śmigielska & Stefańska, 2015; Karczewska, 2013). They could be considered a new supermarket format with a wide assortment of high quality products which differentiate them from their competitors.

RESULTS AND DISCUSSION

As the time was passing and the market started to be more and more saturated, also the foreign companies introduced changes in retail formats they operate (Borusiak *et al.*, 2015; Kucharska, 2016). As far as the supermarket format is concerned, some of the supermarkets (Kłosiewicz- Górecka, 2011):

- become very similar to convenience stores, due to the fact that they are located in the settlements and opened from very early morning to late night,
- have a very wide assortment of fresh and non-food products (Intermarchè),
- many of them are located in the city centre.

Other changes in the retail structure include a growing number of speciality stores, e-commerce and direct selling companies which position themselves successfully in the market niches, due to identifying opportunities coming from changes in the lifestyle (Table 1).

Table 1. The criteria of positioning and selected retail shops

Criterion of positioning	Example of the retailer
Organic Food	Organic Farma Zdrowia, BIOVERT
Original food	Pożegnanie z Afryką, Czas na Herbatę
Fair Trade products	Sklepy Świata, Szczypta Świata
Sports nutrition	Herbalife, SFD
Traditional and local food	Krakowski Kredens, Wyroby regionalne

Source: authors' own study.

Some mass merchandisers have also started to target these market niches by offering local, ecological and Fair Trade product, often displayed on special shelves (Stefańska 2014). Most of them are own brand products. The diversified portfolio of own brand products of food retailers in Poland shows that they try to reach different market segments, not only price conscious customers. This demonstrates their repositioning and draws buyers' attention to other values important to the retailer, around which it builds competitive advantage. It can rely on offering products in a wider range than competitors in this category or improving the price-value relations for the customer. A good example of repositioning strategies are given inter alia by Tesco and Lidl chains. It was reflected in the marketing slogans: the general trend which was visible in the mid -nineties to stress the low price (the examples are "everything and cheap – Tesco" or "Lidl is cheap"), due to the growing consumer expectations towards product quality has been changed and now the main Tesco slogan is "Everything for family" whereas Lidl is claiming that it "values quality".

The other trend which could be identified is to use the ethnocentrism of Polish consumers towards the food in the positioning strategies of retailers. It comes from the fact that many Poles are convinced that local food is more tasty and healthy (Bilińska-Reformat, 2014; Bilińska-Reformat & Dewalska-Opitek, 2014).

What is a little bit strange is that the positioning of discount stores as the cheapest, which had been characteristics for that format for many years and became the source of its success, has changed. Discount chains which operate in Poland do not want their stores to be perceived as stores for poor consumers (Kucharska, 2016, p. 40). For example, in Lidl retail chain, it is reflected in a great variety of fresh products, including organic products, offering well-known brands like Wittchen, high quality world wines and good quality own brand products from Polish producers. Contribution to the positioning on quality and value is made by the stores' arrangement, services, and high expenses on promotion.

A good example of how hypermarket chains have developed their positioning strategies is provided by Carrefour. Carrefour entered Poland in 1997 by opening its first hypermarket in Łódź (www.Carrefour.pl 2016a). It took place three years after the first hypermarket – Hit had appeared on the Polish market. Due to the fact that the Polish market was not saturated by mass merchandisers, and was characterised by very favourable law, as well as consumers' acceptance of big stores, the number of hypermarkets was growing very fast until 2002. In that year the first signs of stagnation were noticed (Figure 2).

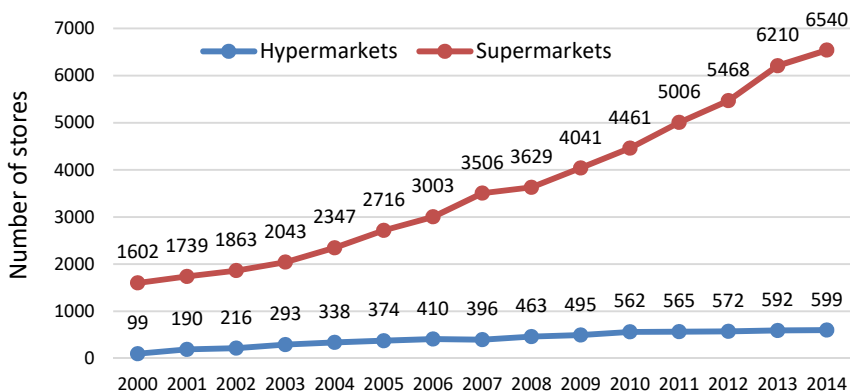


Figure 2. The number of hypermarkets and supermarkets in Poland in 2000-2014

Source: Stefańska & Pilarczyk 2010; Rynek wewnętrzny w Polsce w 2012, Rynek wewnętrzny w Polsce w 2014; own study – counting the number of hypermarkets in every chain, based on companies web sites.

Carrefour's strategy reflected its main business model which along with prices stresses good quality of products. It was communicated to customers by introducing the Quality Carrefour brand in 1998. At the beginning of the twenty-first century it had to respond to the environmental changes which involved inter alia:

- restrictions to opening hypermarkets,
- growing competition from other hypermarket chains, e.g. Tesco, Auchan or Kaufland,
- consumer preferences for a smaller format,
- development of shopping malls also in smaller cities.

The company reacted to them by introducing supermarket chains – Champion and Globi, convenience stores and shopping malls. Since 2007 it has also been developing franchising – a model of cooperation which is growing very fast on the Polish FMCG market. As a consequence, it has become a multi-format retailer operating by selling food in: Carrefour hypermarkets, in supermarkets – Carrefour Market, as well as Express Convenience, Express Minimarket, and Globi (the last three chains are franchise systems). The development of franchise formats, which are smaller and compete on convenience, is the response to the shortage of time characteristic for contemporary consumers, which means that they do not want to spend much time shopping. But it is interesting to notice that each of them has a specific market segment – Globi for instance is located in residential complexes, whereas the others are located in the city centres and position themselves by the assortment and the opening hours.

The contemporary business model implemented by Carrefour in Poland is communicated to consumers inter alia by the assortment policy in which own brands are stressed. They are positioned as “value for money” in six assortment groups and as premium: Reflects de France, NASZA WĘDZARNIA (OUR SMOKEHOUSE), Quality and TERRE D’ITALIA (Marka Carrefour 2016b). Carrefour also includes eco, bio products and products for diabetics in its offer (www.portalspozywczy.pl 2016). On special shelves up to 700 “healthy” products could be displayed. Their sales is supported by the campaign “From the love to be healthy”, whose idea is to promote healthy lifestyle. Carrefour not only

applies the segmentation strategy based on assortment. The company also creates an overall offer for special target groups (for example, programmes for the retired (seniors) or special offers for big families – Carrefour accepts so called Card of Big Families.

To sum up, in the last decades Carrefour has had to change its way of doing business – from one mass merchandiser model to a few diversified models. It has resulted in the necessity to integrate the positioning concept by using the retailing mix on the level of stores for some concepts, and, at the same time, developing new formats of stores and positioning them to fit to the expectations of different market segments.

This research is thought to initiate a discussion about considering new formats and new business models as the marketing innovation which could position the retailer successfully on a given market. In theory, publications on these two topics are separated, perhaps because introducing innovations is still related to the activity of an entrepreneur (Anitsal & Anitsal, 2011). In some cases it is true when there is a new activity on the market introduced by an entrepreneur using marketing intuitively. If it is the marketing activity of retail chains, the question is which marketing tools are used to search the market and how far this search goes or perhaps the retailers just transfer the format and try to create the demand for it. To answer this questions a lot of research is needed, especially focused on the strategies of multinational retailers.

As far as the Polish food market is concerned, this research is also of preliminary character, just to provide the general idea of the scope of the problem of changing positioning by retailers. Further research on introducing new retail formats, business models, the development of a new market segment and attributes used in the positioning strategies is necessary to reflect the clear picture of it.

Hant and Pall (2009) in the paper ask the question “if retailing is really unique” and argue that it is not and that the existing management theories could be applied to analyse the retail internationalisation. In the Authors’ opinion retailing is somehow different and these differences should be taken into account. As it has been discussed in this paper, retailers could position themselves also by introducing new retail formats and new business model and in this way differentiate from competitors, and at the same time leaving their positioning slogan unchanged.

This concept is crucial because the role of positioning is to develop the retailer’s image, which is the key asset of service companies in the contemporary economy but which has not been discussed here.

CONCLUSIONS

Competition on the food retail market is very intense: food is offered by small neighbourhood stores, convenience stores, hypermarkets, supermarkets, discount stores; food can be also purchased from vending machines, via the Internet – from online stores and even direct sales companies. In retailing one of the ways to differentiate successfully from competitors is to introduce a new retail format, targeting the market segment (niche) which is not satisfactorily serviced by competitors and which is big enough to be profitable. In the literature it is not called positioning although it has all characteristics which qualify it into this category – a new market segment, a different marketing mix, and so on. Perhaps it is because sometimes these new formats are not introduced by marketing specialists but by entrepreneurs identifying new opportunities to develop, as it was in the case of the first retail structural

innovations: convenience stores, supermarkets, discount stores, hypermarkets, and as it is happening now in emerging markets, where local players successfully differentiate from big international chains. But anyway, to be successful the right combination of marketing tools is necessary. They should be used for the positioning of own brands, stores, formats, business models to develop a desirable image of the retailer. The communication process is crucial for the successful positioning but these concepts are not synonymous.

It should be noticed that although positioning is considered a strategic marketing tool which differentiates the retailer from its competitor, successful retail formats could be very easily imitated by the competitors so retailers must always look for new ways of differentiation, which leads to repositioning.

One of important trends which has been noticed is that food retailers gradually withdraw from the positioning on price to the positioning on other attributes, such as product quality, and even mass merchandisers include products targeting different market segments in their offer (organic, local, Fair Trade products, nutrition, gluten free, sugar free, and so on). In this way they change their positioning from mass retailers to segmenters. They not only satisfy the customers' needs but they also create them by their offer, as well as promotional activities. Promotional tools used by retailers, besides general marketing tools, also involve merchandising.

Changes which are taking place in retailing indicate the trend to trading up. In Poland many retailers build a message around the same content – high quality, Polish food and so on. It raises the question if such positioning is justified by the growth of income of Polish society. It seems that no one is interested in exempting “mental space” in the form of a hard discount store. This raises some opportunities for new players, who might target customers particularly sensitive to the price level and differentiate by offering really cheap products, as, for example, first discount stores in the 1960s. Their success will depend on some internal factors, such as marketing capabilities, to convince consumers to their offer, as well as external factors – the demand for products and the power of the competitors.

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