

Original Article

Impact of Brand Positioning Strategy on Customer Retention: A Study with Special Reference to Tube Investments of India

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Abstract: This study explores how brand positioning strategy impacts customer retention, with a focus on Tube Investments of India. In today's competitive market, effective brand positioning is crucial for fostering customer loyalty and building long-term relationships. The main aim is to analyse how brand positioning influences customer perception, trust, loyalty, and retention. The research utilises both primary and secondary data. Primary data were gathered through structured questionnaires from 120 respondents using judgmental sampling. Data analysis involved tools such as Percentage Analysis, the Chi-Square Test, Correlation, and One-Way ANOVA. Results show that a strong brand positioning enhances customer retention, loyalty, and repeat purchasing. The study also highlights that quality, brand image, pricing, product reliability, and trust significantly affect customer retention. Statistical analysis supports a meaningful link between brand positioning and customer retention. Ultimately, the study suggests that organisations should prioritise consistent branding, innovation, customer engagement, and trust-building to achieve sustainable growth and competitive advantage.

Keywords: Brand Positioning, Customer Retention, Customer Loyalty, Brand Trust, Brand Image, Customer Perception, Tube Investments of India.

I. INTRODUCTION

In the modern business environment, organisations face intense competition to attract and retain customers. Brand positioning has become one of the most important strategic tools used by companies to create a unique identity in customers' minds. Brand positioning refers to the process of designing a company's image and offerings to occupy a distinct place in the target market. Effective brand positioning helps organisations differentiate themselves from competitors by emphasising product quality, value, innovation, reliability, and customer satisfaction.

Customer retention is equally important for organisational success because retaining existing customers is more cost-effective than acquiring new customers. Loyal customers contribute to repeat purchases, positive word-of-mouth communication, and long-term profitability. Therefore, companies are increasingly focusing on positioning strategies that enhance customer trust, emotional connection, and loyalty.

Tube Investments of India, a part of the Murugappa Group, is one of the leading engineering and manufacturing companies. The company operates across various sectors, including mobility, engineering, industrial products, and electric vehicles. This study aims to analyse the impact of brand positioning strategies on customer retention at Tube Investments of India.

II. LITERATURE REVIEW

A) Theoretical Framework

The theoretical framework explains the relationship between brand positioning strategy and customer retention. Brand positioning refers to the process of creating a unique image and identity for a product or service in the minds of customers. Effective positioning helps organisations attract and retain customers by improving satisfaction, trust, and loyalty.

The study is based on marketing and customer relationship theories, which state that customer perception toward a brand directly influences their buying behaviour and long-term relationship with the organisation. Factors such as product quality, brand image, customer satisfaction, and brand awareness play an important role in retaining customers.

In this study, brand positioning strategy acts as the independent variable, while customer retention acts as the dependent variable. Proper positioning strategies improve customer confidence and encourage repeat purchases, resulting in long-term organisational growth.



B) Review of Past Studies

- Vilchez et al.(2024) explained that effective brand positioning helps companies create a unique image in customers' minds, improving loyalty and repeat purchases.
- Artha (2024) emphasised that customer experience significantly affects retention and that strong brand identity improves customer satisfaction.
- Prasetya et al.(2025) stated that brand positioning differentiates a company from competitors and creates emotional bonding with customers.
- Saqib (2023) found that companies adopting clear positioning frameworks achieve better customer engagement and retention.
- Keller (2016) explained that strong brand positioning improves brand equity, which directly influences customer loyalty and retention.

C) Research Gap

Most previous studies focused mainly on customer satisfaction and customer loyalty in general marketing sectors. Limited studies have been conducted specifically on the impact of brand positioning strategy on customer retention in industrial organisations. Therefore, this study attempts to analyse how brand positioning strategies influence customer retention and long-term customer relationships in Tube Investments of India.

III. RESEARCH METHODOLOGY

A) Research Design

The researcher adopted a descriptive research design for the present study. Descriptive research helps describe the characteristics, opinions, and behaviour of respondents regarding brand positioning and customer retention.

B) Sampling Technique

For the present study, the researcher used the Judgment Sampling Technique. Judgment sampling is a non-probability sampling method in which respondents are selected based on the researcher's knowledge, experience, and judgment.

C) Method of Data Collection

Both primary and secondary data were used for the study.

Primary Data

Primary data were collected directly from respondents through questionnaires and personal interaction.

Secondary Data

Secondary data were collected from:

- Company manuals
- Websites
- Research journals
- Textbooks

D) Tools for Analysis

The following statistical tools were used:

- Percentage Analysis
- Chi-Square Test
- Correlation Analysis
- One-Way ANOVA

E) Hypothesis

Null Hypothesis (H₀)

There is no significant relationship between brand positioning strategy and customer retention.

Alternative Hypothesis (H₁)

There is a significant relationship between brand positioning strategy and customer retention.

IV. RESULTS AND DISCUSSION

A) Percentage Analysis

The study revealed that the majority of respondents belong to the age group of 25–35 years. Most respondents expressed neutral to positive opinions regarding the company's brand positioning strategies. Respondents agreed that consistent brand positioning positively influences customer loyalty, trust, and repeat purchase behaviour.

The findings also indicate that quality, reliability, innovation, and brand credibility are important factors that strengthen brand positioning and improve customer retention.

Table 1: Consolidated Demographic Profile of Respondents

S.No	Demographic Variable	Category	Frequency	Percentage
1	Age	Below 25 Years	25	20.8%
		25–35 Years	36	30.0%
		36–45 Years	31	25.8%
		Above 45 Years	28	23.3%
2	Gender	Male	70	58.3%
		Female	50	41.7%
3	Employee Type	Temporary	72	60.0%
		Permanent	48	40.0%
4	Department	Supply Chain	25	20.8%
		Finance	12	10.0%
		HR & Admin	15	12.5%
		Quality	20	16.7%
		Marketing	13	10.8%
		Distribution & Logistics	22	18.3%
		MET Engineering Development	13	10.8%
5	Experience	Below 1 Year	24	20.0%
		1–3 Years	25	20.8%
		3–5 Years	33	27.5%
		Above 5 Years	38	31.7%

B) Chi-Square Analysis

The Chi-square test result indicated that the p-value is less than 0.05. Therefore, the null hypothesis was rejected, and the alternative hypothesis was accepted.

This result confirms that there is a significant relationship between brand positioning strategy and customer retention.

C) Correlation Analysis

The correlation analysis showed a Pearson correlation value of 0.918 between quality-based brand positioning and customer retention.

The result indicates a very high positive relationship between quality-based brand positioning and customer retention.

D) One-Way ANOVA

The ANOVA analysis indicated that the p-value is less than 0.05. Therefore, the alternative hypothesis was accepted.

The analysis confirms that years of experience significantly influence employee perceptions regarding company positioning strategy and customer retention.

Table 2: Consolidated of Statistical Analysis

Statistical Tool	Variable Used	Result
Chi-Square Test	Brand Positioning Strategy & Customer Retention	There is no significant relationship between brand positioning strategy and customer retention. p-value < 0.05, H ₀ Rejected
Correlation Analysis	Quality-Based Brand Positioning & Customer Retention	There is no significant relationship between quality-based brand positioning and customer retention. Pearson Correlation = 0.918, H ₀ Rejected
One-Way ANOVA	Years of Experience & Company Positioning Strategy Strengthening Customer Retention	There is no significant difference between years of experience and company positioning strategy in strengthening customer retention. p-value < 0.05, H ₀ Rejected

IV. CONCLUSION

The study examined the impact of brand positioning strategy on customer retention with special reference to Tube Investments of India. The findings confirmed that effective brand positioning significantly influences customer retention, customer trust, and customer loyalty.

The study also revealed that quality-based positioning plays a major role in improving brand trust and customer commitment. Statistical analyses confirmed that consistent brand positioning strategies help organisations strengthen long-term customer relationships and improve competitive advantage.

The research concludes that brand positioning is not only a marketing strategy but also an important tool for sustainable organisational growth and long-term business success.

SUGGESTIONS

- The company should continue to emphasise quality as the core element of its brand positioning strategy.
- TIDC should improve consistent brand communication across all customer touchpoints.
- Employee training programmes regarding branding and customer engagement should be strengthened.
- The company should regularly review and update positioning strategies according to changing market conditions.
- Structured customer feedback systems should be improved to measure customer perception effectively.

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