

Repositioning the Durban Chamber of Commerce using the 4Ps of marketing

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ABSTRACT

Due to regular changes in leadership, the 157 year old Durban Chamber of Commerce and Industry was steadily losing membership and found itself having to justify its existence to its membership and other stakeholders. In order to remain relevant, it was necessary for the Chamber to rethink its strategy and to reposition itself. A literature review was conducted to establish what strategies could be implemented in a repositioning exercise. Due to the paucity of academic literature on the subject, an empirical study was conducted using a survey which was administered electronically to all members of the Chamber. A total of 346 members participated in the study. The results clearly showed that whilst members were generally satisfied with the services offered by the Chamber, there were aspects of the marketing mix which needed improvement. The main recommendations were that information services needed to be more relevant to address member needs, pricing changes needed to provide value for money, parking needed to be improved, promotions needed to be relevant and an integrated marketing communications strategy needed to be implemented. This study makes a unique contribution in that other chambers of commerce have a reference point from which to base their repositioning strategies.

Keywords: Organisational change, Repositioning models, Service organisations, Strategy, Sustainability

Organisations operate in dynamic business environments that constantly undergo change, largely due to peaks and troughs encountered in the business cycle. Changes in the economic, social, political and technological environments also contribute to the fluctuations encountered in the business cycle, making it critical for organisations to respond to the changes in order for them to remain relevant. The economic recession of 2008 was one of the most severe recessions since the Great Depression, which resulted in the failure of many organisations (Braun and Latham 2012). They found that the main reasons for the failure of companies were the lack of strategic planning, not being able to anticipate changes in the business cycle and not responding appropriately.

Lacho and Brockmann (2011) point out that chambers of commerce and industry have

existed for as long as commerce has been practised. Business owners, trading partners, and other members of the business community work together to create governance structures to regulate the behaviour of business and to provide a unified voice to protect business from threats from unscrupulous traders, customers and illegitimate government/political pressure. Whilst chambers of commerce are intended to protect businesses, they themselves have to be responsive to the changes affecting them as a “business” entity and their stakeholders. The Durban Chamber of Commerce and Industry (DCCI) was established in 1856 under the Natal Law Act 31, making the organisation 157 years old at the time of the study. The DCCI had seen many changes in its leadership, in terms of its constitution, the President of the Board changed

every two years and due to turnover regular changes in the position of Chief Executive Officer (CEO), made it exceedingly difficult for the organisation to implement its strategies. Further to this, decreasing membership numbers and the constant pressure exerted by all stakeholders for the chamber to identify what benefit and value it added threatened its sustainability. In order to remain relevant, it was necessary for the DCCI to rethink its strategy and to reposition itself.

Boyne and Meier (2009, p.844) define corporate repositioning as “moving into new markets, seeking new sources of revenue, developing new products, and altering the mission and image of a company”. Organisational recovery is possible if the senior management team are able to predict/react to significant declines in the performance of their organisations and implement meticulous turnaround strategies (Braun and Latham 2012). Repositioning an organisation may include actions such as: senior management replacement, financial control with cost management initiatives, a human resources strategy to reduce the workforce, and a marketing strategy to highlight product and market diversification (Chathoth, Tse and Olsen 2006). Braun and Latham (2012) in support, were firmly of the view that one of the most significant approaches for repositioning an organisation is the alignment of the marketing function within the repositioning strategy. Variations and amendments made to the marketing mix are key success factors in an organisation’s repositioning strategy (Ellickson, Misra and Nair 2012). There are many approaches to applying marketing and marketing principles to reposition organisations, including the Crompton (2009) repositioning dimensions, Hegde and Panikar’s (2011) repositioning strategies and Carr, Muthusamy and Owens’s (2012) framework for repositioning.

Whilst strategies exist for repositioning businesses and other organisations, there was no literature or frameworks to guide the repositioning of a chamber of commerce. The paucity of literature posed a problem in terms of what approach or framework should be used to reposition the DCCI. Based on the nature of the activities of the DCCI, this study used the tried

and tested marketing mix also known as the 4Ps of marketing which was introduced by McCarthy in 1960, as a framework for repositioning the chamber. The 4Ps approach focuses on the needs of the customer, and promotes and delivers the right products at the right place at the right price. In order to address the problem, a detailed literature review was conducted followed by a survey of DCCI members to establish what elements of the marketing mix could be improved to reposition the DCCI and restore its image in the eyes of its membership.

LITERATURE REVIEW

A literature review contextualises a study within the body of existing knowledge in order to solve the research problem. In the event that the literature cannot solve the problem, the gaps in the literature provide a starting point for an empirical study. This literature review will concentrate on the key areas identified in the introduction, namely strategy, repositioning, repositioning strategies, and the marketing mix.

Strategy

The purpose of every business is to make a profit and to be sustainable over its lifetime. Strategy and strategic planning are tools used by businesses to ensure profitability and their long-term survival. More than three decades ago, Porter (1979) defined strategy as charting a clear course of action and direction setting for an organisation in order to achieve a desired state in the future. Strategic thinking is the competitive response that organisations undertake to remain profitable in turbulent environments characterised by constant change (Papadimitriou, Apostolopoulou and Dounis 2008). Hough et al. (2011) describe strategy as a well-documented roadmap for an organisation, defining the mission, vision and direction of the organisation, with the objective of maximising an organisation’s strengths and minimising the strengths of its competition. It is evident from these definitions that strategy is about planning in the present to survive environmental changes,

make adjustments when necessary in order to remain ahead of competitors and continue to be profitable in the future.

Strategies need to be flexible in order to adjust to change. In the current business environment, change is driven by intense competition and technological advances (Dittrich, Duysters & De Man 2007). According to Pearce and Robbins (2008), changes in operating environments require organisations to respond to new competitive pressures, in order to minimise the negative impact on the strategic goals of the organisation. They argue further that it is indefensible to continue with an old strategy in a dynamic environment. Zacharias and Tang (2010) contend that developments are occurring so rapidly that it is difficult to foresee the changes that may occur in the business environment; therefore the planning and strategy-setting function needs to be robust and the organisation should take a short-term view, so as to be in a position to respond effectively to changes. It is evident that there are differing views on whether strategic planning should be short-term or long-term. Whilst it is essential to have a long-term goal for an organisation, strategies need to be flexible enough to accommodate short-term disruptions, and to redirect the organisation back to its original goal. Although most businesses such as African Bank, Nationwide Airline and 1Time Airline had strategies in place they still collapsed.

Hegde and Panikar (2011) attribute the decline or collapse of businesses to internal and external factors. Internal factors include poor debt management, high operating costs and low margins, low employee morale, poor quality products/service and poor marketing. External factors include dumping of foreign goods, recessions, obsolescence of technology, climatic change, government pressures and prohibitive legislation. Whilst the external factors are unpredictable and beyond the control of a business, it is indefensible for a business to collapse due to internal factors, factors which are under the direct control of the organisation and its leadership. Braun and Latham (2012) found that good strategy setting and long-term

sustainability planning assisted struggling businesses in surviving the economic recession of 2008, and the key to survival for many was a repositioning strategy.

Repositioning

In order to counter the risks and negative effects of changing business environments organisations need to develop enhanced strategies to reposition themselves and to protect their competitive advantage (Chathoth et al. 2006). Boyne and Meier (2009) define corporate repositioning as “moving into new markets, seeking new sources of revenue, developing new products, and altering the mission and image of a company”, in order to change stakeholder perceptions of the organisation. Carr et al. (2012) state that what is required in a repositioning exercise is to reinvent an organisations identity from the perspective of all its stakeholders by shifting the dimensions of the value proposition of the organisation. Corporate repositioning specialist consultancy firm Proteus (2012) describes repositioning as identifying the right tactics to implement to ensure that the organisation continues to enjoy its current position among its competitors or to create a new more profitable position within the industry. Braun and Latham (2012) argue that measures to stabilise an organisation should be the main priority, followed by efficiency interventions to arrest the decline. They propose that a repositioning strategy should focus on innovation and development, product and market expansion, and a review of the marketing and brand elements. Significant attention should be given to the marketing element of the repositioning strategy (Chathoth et al. 2006). Whilst there are many approaches and strategies to reposition an organisation, the focus of this article is on the role of marketing in repositioning a declining organisation.

The role of marketing in repositioning a business

Creating a perception of an organisation in the mind of the consumer and other relevant stakeholders is more important to future

sustainability than what the organisation actually does (Crompton 2009). Braun and Latham (2012) explain that the most visible and common forms of repositioning strategies are product and brand related. However, channel relationships, market penetration, product innovation and advertising need to be repositioned as well and there should be a strong emphasis on educating consumers about the new positioning of the business. It is evident that repositioning is not about making superficial changes, but it is about making large-scale changes that are considered as significantly different in the minds of the stakeholder. There are a number of marketing approaches, tools and models that can be used to reposition a business. They are not limited to but include the following: Crompton's Four Marketing Repositioning Dimensions, Carr's Marketing Framework for Repositioning, Hegde's Marketing Repositioning Strategies and the Marketing Mix Repositioning Matrix.

Crompton's Four Marketing Repositioning Dimensions

Crompton (2009) underpins his dimensions by specifying that a position is the perception created by the organisation in the minds of its stakeholders. The ultimate goal of positioning is to distinguish an organisation from its competitors and to associate a perceived value of the organisation and its offerings in the minds of stakeholders relative to the competition. Crompton's model is merely a process model that follows a set of steps to identify repositioning strategies; it does not specify what needs to be changed, or how it should be changed.

Carr's Marketing Framework for Repositioning

Carr et al. (2012) have provided a conceptual framework for strategic repositioning. A major challenge facing the operations of organisations when the internal or external landscape of the organisation changed, was the inability of the organisation to sustain its performance and competitive advantage. The Carr, Muthusamy

and Owens framework is an improvement on Crompton's model in that stages four and five list practical actions such as strategic alliance building and customer relationship management respectively. However, as in the case of Crompton's model, it is unclear what businesses are expected to do in the other four stages.

Hegde's Marketing Repositioning Strategies

In conducting research on organisational turnaround strategies, Hegde and Panikar (2011) were of the opinion that marketing interventions are a critical component of a turn-around strategy to reposition an organisation. In their opinion, successful organisations are marketing-oriented and customer-focussed, and are therefore able to generate market intelligence and information that is used throughout the organisation. Hegde and Panikar's cyclical model is an improvement on Carr's and Crompton's models in that it talks about specific actions: selecting markets, providing innovative offerings and managing relationships. The research findings presented by Hegde and Panikar (2011) reaffirm that marketing plays a significant role in repositioning an organisation.

Whilst there are advantages to the models and frameworks presented, the organisational context will determine the appropriateness of the model applied to a specific study.

The marketing mix as a framework for repositioning

A major debate amongst academics and practitioners revolved around Goods Dominant Logic (GDL) and Services Dominant Logic (SDL) (Sakano and Kosaka 2014). The GDL is used in manufacturing industries and SDL is used in services oriented industries to determine the appropriate marketing mix. The marketing mix, as defined by Kotler and Keller (2012), is a model of the marketing activities an organisation uses to pursue its marketing objectives. These activities are popularly known as the Four Ps (4Ps) of marketing, and are broadly classified as product, price, place and promotion. By changing any

**FIGURE 1:
THE MARKETING MIX AS A REPOSITIONING TOOL**



Source: Adapted from KVP Corporation (2009).

dimension of the 4Ps framework, organisations can change the elements of the marketing mix to suit the needs of the consumer. This approach was characteristic of the Goods Dominant Logic. With the growth in the services sector and manufacturers moving towards a Services Dominant Logic, Booms and Bitner (1981 cited in Kotler and Keller 2012) introduced an additional 3Ps people, physical evidence and processes to be included in the Marketing Mix of a services organisation resulting in the 7Ps. The service offered by staff, the processes followed to offer the service and the physical appearance of a business all play a part in the positioning of the business or service. Kotler and Keller (2012) defined positioning as “an act of designing the company’s offering and image to occupy a distinct place in the target market’s mind”. According to Simms and Trott (2007) repositioning has become a significant concept in modern marketing management. They emphasise the importance of organisations taking a customer focus and determining how the organisation might be perceived in relation to competitors whenever a repositioning exercise is undertaken.

The KVP Corporation (2009) successfully applied the marketing mix to reposition their organisation. The four steps shown in Figure 1 were closely followed in their strategy.

The model illustrated in Figure 1 is very similar to the previous models in that it suggests beginning with a situational analysis (in this model a marketing mix situational analysis), followed by a benchmarking exercise, followed by focusing on the competencies of the organisation and then redefining the marketing mix. Due to the gaps in the

literature and models for repositioning chambers of commerce, this model was used for this study as it was considered the most appropriate model within the organisational setting of DCCI and the final stage in the model focused on the marketing mix which was one of the strategic priorities of the DCCI. The absence of a feedback loop in this model suggests that when a problem occurs an organisation needs to analyse the situation, make the changes and then stop any further activity until another problem is identified in the future at which point the process will start over. At the time of conducting the study, the 7P’s was ruled out as a possible adaptation of the KVP strategy, as the Durban Chamber were not concerned with the quality of people or the process dimension of their marketing mix as these dimensions were addressed in a separate strategic planning exercise. The physical evidence dimension of the 7P’s was not examined as a separate ‘P’ but was incorporated in the place dimension. At the core of any marketing mix is the consumer/customer. In order to establish the value or the effectiveness of the marketing mix, it is essential to understand whether its activities are providing customer satisfaction.

Customer Satisfaction

Lamb et al (2010, p.5) define customer satisfaction as the “feeling that a product has met or exceeded the customers’ expectations”. Dominici and Guzzo (2010) extend this definition further by stating that customer satisfaction is about creating value for the customer. What constitutes value

for one customer may not be the same for another as customer satisfaction is based on judgement (Oliver 1997, Lamb et al 2010). Judgement differs from one individual to the next and as such researchers need to find a best fit or a majority view when measuring customer satisfaction. An often quoted anecdote is that a satisfied customer will tell at least one other person about a positive experience, however, a dissatisfied customer will tell ten others. Whilst not based on sound empirical evidence, this anecdote emphasises that businesses need to provide superior products and services at all times and that they need to manage and do damage control if necessary. Customers seldom give feedback to suppliers therefore Radojevic, Stanistic and Stanic (2015) recommend that businesses should use their websites to obtain feedback from their customers.

What feedback a company seeks is dependent on what factors customers deem as important, what information the business needs to meet its strategy and industry specific information (Lamb et al 2010; Radojevic, Stanistic and Stanic 2015). No discussion on customer satisfaction is complete without reference to the SERVQUAL model as poor service quality can diminish customer satisfaction.

RESEARCH METHODS

Scientific research requires that proper methods are used in planning, executing and reporting on a study. The methods employed in this study emanate from the research question which then influenced who participated in the study, how many people participated in the study, how data were collected, and how data were analysed to answer the research question.

Objectives

In order to answer the question: “What elements of the marketing mix could be improved to reposition the DCCI and restore its image in the eyes of its members?” a descriptive study was conducted based on the following objectives:

- To establish the current members’ degree of satisfaction with the DCCI;

- To determine:
 - o if the price of membership of the DCCI is appropriate,
 - o whether the products and services were relevant to DCCI members,
 - o the effectiveness of the promotional activities of the DCCI,
 - o whether the DCCI was appropriately located;
- To identify what improvements the DCCI could implement in its marketing mix.

Sekaran and Bougie (2010) recommend that where the characteristics to be studied are known to exist, a quantitative descriptive study would be appropriate. The marketing mix existed at DCCI at the time of the study. It was known to the researchers and the leadership of the DCCI that the existing marketing mix was not working. They also knew that this state of affairs was affecting membership, and that new knowledge was needed to reposition the Chamber in the minds of its stakeholders. The large number of members lent itself to a quantitative study.

Participants in the study

By definition, repositioning is about creating a position in the minds of stakeholders. ‘Stakeholders’ is a broad term and in the context of chambers of commerce could include the following: members, the board of directors, communities, governments, international organisations, non-member businesses, non-governmental organisations and other chambers of commerce. The unit of analysis for this study was the members of the Chamber as they are the fee-paying ‘customers’ of the Chamber and they would be the best critics of the current marketing mix which would address the objectives of the study and thereby answer the research question. The members of the DCCI are companies ranging from micro to large companies. The participants in the study were the contact persons identified on the Chamber database.

Sampling

The total population for this study consisted of 2 800 companies listed on the DCCI's database as at 1 January 2013. A sample size table was used to determine the required sample size. Based on the table, in Sekaran and Bougie (2010 p.295) for a population of 2800 a sample of 338 participants was required. A non-probability convenience sampling method was selected. This study required the obtaining of basic information quickly and efficiently; therefore, the researchers were less concerned with generalisability than obtaining some preliminary information in a quick and inexpensive way.

Data collection

In order to collect quantitative data, an electronic survey was selected. Electronic surveys enjoy quick turnaround times, are relatively cheap to administer, reach large numbers of potential respondents, are easy to use, and data capturing is done instantly by the respondent. A major drawback of using electronic surveys is the poor response rate due to technology breakdowns and lack of control by the researcher to encourage participation. This barrier was overcome by sending reminder e-mails. Saunders, Lewis and Thornhill (2012) are of the view that questionnaires are the most popular data collection instrument in business and management research as it is an efficient way of collecting responses from a large

sample prior to quantitative analysis. QuestionPro was used as the platform for developing and disseminating the questionnaire.

Due to the novelty of this study, it was impossible to find a previously used questionnaire, hence the researchers created their own questionnaire based on the dimensions they wanted to test, the 4Ps of marketing. The questionnaire comprised a number of different scales which would help to describe the data, such as nominal scale, ordinal scale, ranking scale and category scales (Sekaran & Bougie, 2010).

A major omission of the last stage in the KVP model (Figure 1) is that it does not provide guidelines on how to implement or address the marketing mix. This omission allows organisations to be flexible in their analysis of the 4Ps. For the purposes of this study the framework in Table 1 was used as a structured means of analysing the 4Ps as it existed at the DCCI. The framework presented in Table 1 is not exhaustive as this article is a summary of a much larger study. However, this framework indicates what key questions need to be asked when analysing an organisation. A key component of such a framework is the setting of clear objectives. The objectives in this framework were based on the concerns of the DCCI at the time of the study.

A pilot study was conducted among a group consisting of staff members of the DCCI, senior managers, and a group of 15 member companies of the DCCI. The following issues that were raised

**TABLE 1:
FRAMEWORK FOR ANALYSING THE 4P'S AT THE DCCI**

	Product	Price	Place	Promotion
Objective	Relevance	Affordability	Accessibility	Effectiveness Exposure
Questions	What are the most relevant services provided by the DCCI?	Is the DCCI pricing affordable?	Is the DCCI accessible?	Are the media used by DCCI effective?
	How often are DCCI services used by members?	Is the DCCI pricing providing value for money?	How often do members visit the DCCI?	Is the content appropriate?
	Reasons for not using certain services	Reasons why the DCCI does not provide value for money	Reasons why members do not visit the DCCI	What are the most effective promotional activities? Are promotions reaching the target audience?

by the pilot group were subsequently corrected:

- The branching logic was not working due to errors in setting up the software.
- Spelling and grammatical errors were identified and corrected.
- A question relating to the racial group of the respondents was removed due to the irrelevance of this question.
- The order of some questions was changed to ensure an easy flow of concepts and questioning logic.
- A question relating to areas for relocating the DCCI was removed as the question was too vague and added no value.

The data collected from the pilot study were not included in the main study due to the number of errors in the original questionnaire. The link to the questionnaire was sent via e-mail to the members of the DCCI.

Data analysis

One of the basic features of QuestionPro is its ability to provide descriptive statistics of the responses. Some of the computations performed were frequencies, means analysis, Chi2 tests, correlations and cross-tabulations. For more intricate analysis, data can be exported in raw format into Excel or SPSS. However, before any analysis is conducted, researchers can clean the data by performing a few simple steps. Often respondents merely view the survey, some start the survey and then withdraw, which affects the number (n) of participants in unanswered questions. QuestionPro allows the researcher to delete all incomplete surveys. The questionnaire was sent to all DCCI members. A total of 551 prospective respondents viewed the survey; however, only 346 completed it.

PRESENTATION, ANALYSIS AND DISCUSSION OF RESULTS

The 346 responses received translated to a response rate of 12.3%. As mentioned earlier, a sample of 338 responses was required. Whilst the responses exceeded the minimum required, the results cannot be generalised to the population as

a non-probability sampling approach was taken.

Demographics

In order to explain the responses it is important to understand who participated in the study and the companies they represented (Table 2).

It is evident from Table 2 that the majority of the respondents (68%) held senior positions (owners, directors and senior managers). The responses can be trusted based on the seniority of the respondents. The DCCI categorises companies as small (1-20 employees), medium (21-50 employees) and large (51 employees and more). The study was dominated by small companies (53%) which was consistent with the DCCI claim that up to 60% of their member companies were small, medium and micro enterprises (DCCI, 2012). The top three industries represented in the study, namely services, manufacturing and banking, were the top three industries contributing to Gross Domestic Product (GDP) with 21%, 15% and 9% respectively (StatsSA, 2013).

**TABLE 2:
DESCRIPTION OF RESPONDENTS AND
THE COMPANIES THEY REPRESENTED**

	Descriptor	n	%	
Position in company	Owner	87	25%	
	Director / Executive	81	23%	
	Senior manager	68	20%	
	Manager	59	17%	
	Team leader	11	3%	
	Supervisor	8	2%	
	Employee	26	8%	
	Other	6	2%	
Total		346	100%	
Size of company	Small	1 – 10 employees	98	28%
		11 – 20 employees	85	25%
	Medium	21 – 50 employees	63	18%
	Large	51 – 99 employees	40	12%
		>100 employees	60	17%
Total		346	100%	

**TABLE 2 (CONTINUE):
DESCRIPTION OF RESPONDENTS AND
THE COMPANIES THEY REPRESENTED**

	Descriptor	n	%
Sector/industry classification	Retail	10	3%
	Food/Catering	11	3%
	Education	13	4%
	Maritime	14	4%
	Property	17	5%
	Construction	19	5%
	Entertainment/Leisure/Hotels	21	6%
	Engineering	27	8%
	Transport	29	8%
	Manufacturing	36	10%
	Services (Financial/Business)	99	30%
	Other	50	14%
	Total		346

Overall satisfaction with the Durban Chamber of Commerce and Industry

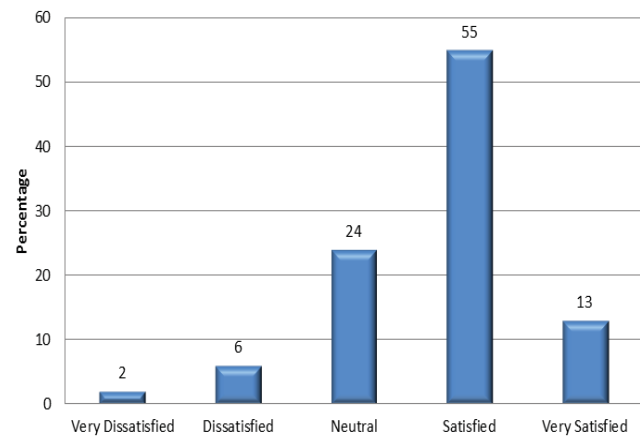
The DCCI is a membership-based organisation, with up to 60% of its income derived from membership subscriptions (DCCI, 2012). A potential lack of satisfaction amongst members with the level of service the DCCI provides will have a negative impact on the financial sustainability of the organisation. The respondents were asked to rate their overall satisfaction with the DCCI (Figure 2).

Carr, Muthusamy and Owens (2012) are of the opinion that the key to successful repositioning is having satisfied customers. The majority of respondents (68%) were satisfied with the DCCI, which is a positive start to any repositioning exercise. However, almost a third of the respondents were dissatisfied with the DCCI, and these were sufficient grounds to delve more deeply to establish what aspects of the marketing mix needed improvement.

Product

According to Mason and Staude (2009), new product ranges, lines and extensions are needed to reposition an organisation when evidence indicates

**FIGURE 2:
OVERALL SATISFACTION WITH DCCI**



that the current product mix is ineffective. Slow-selling products and services drain resources and must be critically evaluated and discontinued if necessary. In order to reposition an organisation, Hegde and Panikar (2011) recommend that organisations need to review product and service offerings to ensure that customers find value in the services provided by the organisation and make use of them. Services that are not used need to be innovatively revitalised and re-launched, or they need to be discontinued.

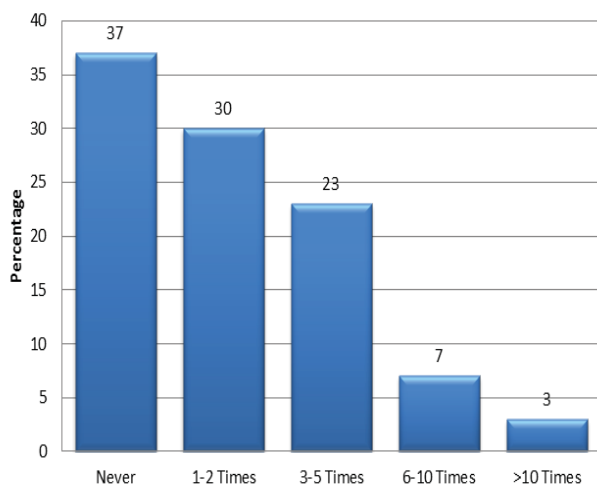
Chambers of commerce do not supply products; however, the services which they provide are colloquially referred to as products. The DCCI offers five services which the respondents were asked to rank in terms of importance (Table 3).

**TABLE 3:
RANKING OF SERVICES OFFERED BY
DCCI**

Rank	Services	Mean
1	Providing business information	2.53
2	Lobbying for policy changes and advocacy	2.66
3	Hosting business events and networking opportunities	3.06
4	Facilitating training and skills development programmes	3.16
5	Providing marketing and advertising services	3.59

Provision of information is vital to the success of chambers of business. A search through the London, New York and Atlanta chambers of commerce websites revealed the information-sharing service provided by these chambers. The business information service was ranked highest showing that the DCCI performs a similar function as international chambers. However, the most important service is not necessarily the most used, as illustrated in Figure 3.

**FIGURE 3:
NUMBER OF TIMES THE BUSINESS INFORMATION SERVICES DESK WAS USED**



Business information services was identified as the most important service offered by DCCI, however, 37% of the members never used the service in the 12 months prior to the study, and a further 30% used the service less than three times in the same period. The three main reasons given for not using the business information services desk were: “My company is not aware of this service” (37%), “The information is not relevant” (19%), and “The information does not resolve our problems” (17%). The disconnect between importance and use of services is discussed under recommendations.

Price

Organisations that provide value for money propositions positively influence the consumers to purchase their products (Chattopadhyay,

Shivani & Krishnan, 2010). When repositioning an organisation, status quo pricing is not appropriate and adjustments need to be made. The pricing model of the DCCI is based on a sliding scale in relation to the number of employees of member companies: the greater the number of employees, the higher the membership fees. However, the services are the same. The majority of the members (62%) felt that they were receiving good (48%) or excellent (14%) value for money by belonging to the DCCI. A little less than a third (29%) felt they received satisfactory value for money and 9% felt they were getting poor value for money. Of the members who received satisfactory and poor value for money, the main reason for their response was that they felt they were not receiving any tangible benefits by belonging to the DCCI. A cross-tabulation was performed between size of organisation and value for money. No significant relationship was found between these variables except that 17 dissatisfied members were small businesses.

Place

The perceived quality of a brand is influenced by the location of the organisation (Chattopadhyay, Shivani & Krishnan, 2010). This view is supported by Alex (2012) who found that the frequency of customer visits is based on the perception of ‘good image’ locations. The success of events hosted by the DCCI requires regular visits by members to the DCCI offices. The majority of the respondents (57%) never visited the DCCI offices and 26% only visited one to two times a month. The premises occupied by the DCCI at the time of the study were located in the ‘conference precinct’ of the city directly opposite the International Convention Centre (ICC) which could be classified as a ‘good image’ location. However, the main reason that members did not visit the DCCI regularly was parking (65%). Other reasons why respondents rated the location poorly included limited access (13%), and the state of the premises (9% – outdated facilities and furnishing, 7% – poorly maintained building).

Promotion

Promotion is considered to be the most important of the 4Ps. If an organisation has a great product that is selling at an affordable price and is easily available to the consumer, in order to succeed it needs to publicise these facts. Promotion is also known as marketing communication, whereby an organisation communicates with its consumers through various media. A creative media strategy is vital to repositioning an organisation (Mason & Staude, 2009). Table 4 illustrates the communications media used by DCCI and the number of times respondents viewed or interacted with them.

**TABLE 4:
MEDIA USED BY DCCI**

	Number of times viewed/used				
	Never	1-2	3-4	5 times	>5
Chamber Digest (weekly)	17%	48%	22%	13%	-
Traditional Media (weekly)	34%	36%	18%	10%	6%
Website (daily)	49%	33%	14%	3%	1%

The Chamber Digest, a newsletter, was read regularly with a small number (59) of members who never read it. More than a third (34%) of the respondents did not read the weekly newspaper articles written by the Chamber CEO which appears in one of the most widely read newspapers in the city. In the modern age of electronic communication, almost half (49%) did not visit the Chamber website. The three common reasons cited for not using or viewing the DCCI media were that the media does not provide information about the Chamber activities, some of the content is irrelevant and there is too much irrelevant advertising. All three reasons relate to content. Like most modern organisations, the DCCI expanded its promotional activities to include social media. More than a third (36%) of the respondents indicated that they did not access social media, 27% connected through Facebook, 18% followed on Twitter, 16% used LinkedIn and

3% used Pinterest.

It is evident that whilst the DCCI used the 4Ps to satisfy the needs of its members, there appears to be a need for change and improvement in order to reposition the chamber in the minds of its members.

CONCLUSION

The aim of this article was to establish what elements of the marketing mix could be improved to reposition the DCCI and restore its image in the eyes of its membership. The literature review did not provide information specific to repositioning of chambers of commerce, neither did it provide any framework that could be applied in practice. The paucity of literature necessitated an empirical study, which has provided answers to close the gap.

It can be concluded that the DCCI is satisfying the needs of the majority of its members. However, on further interrogation it was clear that there were deficiencies in all the 4Ps of marketing. The product offerings were underutilised, there was a perception of inappropriate pricing resulting in poor value for money, the promotional media were underutilised due to weak content and the lack of parking made the location of the DCCI very unattractive.

It is recommended that the DCCI implement the following changes based on the 4Ps of marketing:

Product:

- The service of the business information desk needs to be improved.
- Better qualified staff need to run the desk.
- Relevant and quality information needs to be provided.
- The DCCI needs to run an awareness campaign to inform its members of the information services that are offered.
- The business information services need to be promoted more widely for existing and prospective members to see.
- Further research is required to establish what common information members require in order to present such information as frequently asked questions on the website.

Price:

- Value for money is dependent on changes in the total package offered to members; hence improvements in products with no change in price will provide members with value for money.
- A loyalty reward programme could be introduced to retain existing members.
- Members who introduce new members could be rewarded with discounts on their membership or offered free admission to certain chamber events.

Place:

- The DCCI needs to provide sufficient parking for visitors to its offices.
- Arrangements need to be made for free parking at the ICC when the Chamber hosts events at its offices.
- Offsite venues with sufficient parking should be selected when the DCCI hosts large events.
- The DCCI should consider moving to premises within a business precinct, which would be accessible to members and provide sufficient parking for them.

Promotion:

- The DCCI needs to implement an integrated marketing communications strategy which ensures that all the media have a common image, look and feel.
- A public relations/marketing consultant should coordinate the image changes.
- A customer relationship management system needs to be developed to deliver relevant content to members.
- The website needs to be more interactive, allowing new members to apply for membership online and for interested persons and members to book for events on the website.

These recommendations cannot be implemented in isolation. Based on the KVP model, they have to be strategically aligned to industry best practice and organisational growth strategies.

No study is complete without addressing its limitations. In this study the sample did not

adequately represent the constituent members of the DCCI as is evident from the poor number of responses from large businesses. Therefore, the use of a convenience sample did not make the results generalisable to the entire population. It may be argued that the KVP model was not the most appropriate model for repositioning; however, it was the most relevant to the DCCI's circumstances and provided clear, unambiguous results. More recent literature advocates that service-based organisations use the 7Ps of marketing (which includes people, public relations and processes) rather than the 4Ps, however, the 4Ps have clearly highlighted deficiencies at DCCI which requires improvements related to people and public relations, but process improvements were overlooked. Process improvements could easily be highlighted by a situational (SWOT) analysis. The most significant limitation was the lack of academic literature relating to the repositioning of chambers of commerce. This article makes a significant contribution to the literature. Furthermore, the framework used in this study could be extended for analysis of other service organisations.

Notwithstanding the limitations of this study, many of the recommendations to date have been implemented, the DCCI has moved its premises into a business precinct and membership has increased to over 3 500 companies.

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