

# ÇANKAYA UNIVERSITY GRADUATE SCHOOL OF SOCIAL SCIENCES BUSINESS ADMINISTRATION

# THE IMPACT OF PRODUCT DEVELOPMENT ON THE MIND STATUS OF THE CUSTOMER

THABET ALI SALEH

## ÇANKAYA UNIVERSITY GRADUATE SCHOOL OF SOCIAL SCIENCES BUSINESS ADMINISTRATION

# THE IMPACT OF PRODUCT DEVELOPMENT ON THE MIND STATUS OF THE CUSTOMER

An Exploratory Study about the Effect of iPhone Mobile Development on the Mind Status of the Customer 
''An Application on University Students''

THABET ALI SALEH

**August 2015** 

Title of the Thesis: The Impact of Product Development on the Mind Status of the Customer

Submitted by Thabet Ali SALEH

Approval of the Graduate School of Social Sciences, Çankaya University.

Prof. Dr. Mehmet YAZICI Director

I certify that this thesis satisfies all the requirements as a thesis for the degree of Master of Business Administration.

Prof. Dr. Mehmet Mete DOĞANAY Head of Department

This is to certify that we have read this thesis and that in our opinion it is fully adequate, in scope and quality, as a thesis for the degree of Master of Business Administration.

Prof. Dr. Mahir NAKIP Supervisor

Examination Date: 04.08.2015

**Examining Committee Members:** 

Prof. Dr. Mahir NAKIP

(Çankaya Univ.)

Prof. Dr. Cengiz YILMAZ

(METU Univ.)

Doç. Dr. Elif AKAGÜN ERGİN

(Çankaya Univ.)

## STATEMENT OF NON-PLAGIARISM PAGE

I hereby declare that all information in this document has been obtained and presented in accordance with academic rules and ethical conduct. I also declare that, as required by these rules and conduct, I have fully cited and referenced all material and results that are not original to this work.

Name, Last Name : Thabet Ali, SALEH

Signature

Date : 04.08.2015

#### **ABSTRACT**

# THE IMPACT OF PRODUCT DEVELOPMENT ON THE MIND STATUS OF THE CUSTOMER

An Exploratory Study about the Effect of Mobile Development on the Mind Status of the Customer "An Application on University Students"

SALEH, Thabet Ali
M.Sc., Department of Business Administration
Supervisor: Prof. Dr. Mahir NAKIP

August 2015

The world has witnessed during the last two decades important changes, which represented by the information revolution and globalization. Those changes have followed by competition between producers and product differentiation factors, which have developed and become the issue of the age. The method of developing products in modern organizations has become the cornerstone of any strategy formulated to be performed in a modern way. This method will fulfil the aims of manufacturers and marketers on the one hand, and consumers or users on the other hand. This process is useful for consumers because it meets their needs and satisfying their purchasing desire according to their financial abilities.

The study handles the dimensions of developing products such as superiority, customer satisfaction, speed, simplicity, inspection (experience), and the effects of

those dimensions on enhancing the positioning of the iPhone mobile for the mind status of its users through the main dimensions and indications, which include product diversity, product reputation, product performance, price variety and finally advantages of competitors together with their weak points. In order to apply the study and tests its hypotheses, the iPhone mobile is selected as one of the faster products development all over the world, as well as it is most important products in the life of its users and it has a very strong relation with the new development in modern life.

According to Information mentioned above, the study puts a hypothetical model which reflects the nature of the influential relationship between dimensions of product development and mind status. Additionally, hypothetical model has been interpreted through a number of hypotheses, which have been tested by many statistical means, such as standard deviation, correlation, determination and multiple regression coefficients.

The results of the regression analysis indicate that superiority, customer satisfaction, speed, simplicity, inspection and testing affect the mobile's diversity, its performance, the competitive position of the mobile and the mobile's price significantly, while not affecting the mobile's reputation significantly.

**Keywords:** Product Development, Dimensions of Product Development, Concept of Mind Status.

### ÖZET

# ÜRÜN GELIŞTIRMENIN MÜŞTERI ZIHINSEL STATÜSÜNÜN ÜZERINDEKI ETKISI

Müşterinin Zihinsel Durumu üzerine iPhone Mobil Gelişiminin Etkisi Hakkında Keşifsel Çalışma "Üniversite Öğrencileri üzerinde bir uygulama"

**SALEH, Thabet Ali** 

Yükseklisans Tezi Sosyal Bilimler Enstitüsü İşletme Bölümü

Tez Yöneticisi: Prof.Dr. Mahir NAKIP

Ağustos 2015

Son yirmi yılda dünya,bilgi devrimi ve küreselleşme tarafından sunulan önemli değişikliklere tanıklık etmiştir. Bu değişiklikler, gelişerek çağın konusu haline gelen üreticiler ve ürün farklılaşma etkenleri arasındaki rekabet ile devam etmiştir. Modern kuruluşlardaki ürün geliştirme yöntemi, aynı şekilde formüle edilecek olan herhangi bir stratejinin mihenk taşı haline gelmiştir. Bu yöntem bir yandan üreticilerin ve pazarlamacıların, diğer yandan ise tüketicilerin veya kullanıcıların amaçlarını gerçekleştirecektir. Bu süreç tüketiciler için kullanışlıdır çünkü mali yetilerine uygun olarak alım isteklerini ve ihtiyaçlarını karsılamaktadır.

vi

Bu çalışma, ürün zenginliği, ürün şöhreti, ürün performansı, fiyat çeşitliliği ve son olarak zayıf noktaları ile beraber rakiplerin avantajlarını içeren ana ölçüler ve göstergeler aracılığı ile kullanıcıların zihinsel statülerine göre iPhone mobilin konumlandırılmasını arttırmada bu ölçülerin etkileri ve üstünlük, müşteri memnuniyeti, hız, sadelik, deneyim gibi gelişen ürünlerin ölçüleri ile ilgilenmektedir. Çalışmayı ve hipotez testlerini uygulamak için, iPhone mobil, kullanıcılarının hayatında en önemli ürün olması ve modern yaşamda yeni gelişmeler ile güçlü bir

ilişkisi olmasının yanı sıra tüm dünyada en hızlı ürünlerden biri olarak seçilmiştir.

Yukarıda belirtilenlere uygun olarak, çalışmaya ürün gelişimi ve zihinsel statü ölçüleri arasındaki etkin ilişkinin doğasını yansıtan bir kuramsal model ortaya koymaktadır. Buna ek olarak, kuramsal model, standart sapma, karşılıklı ilişki, belirleme ve çoklu bağlanım katsayısı gibi birçok istatistiksel yollarla test edilen bir dizi kuram aracılığı ile yorumlanmıştır.

Regresyon analizi sonuçları göstermiştir ki ürün üstünlüğü, tüketici tatmini, tüketme hızı, ürün basitliği ve ürün deneyiminin; ürün zenginliği boyutlarından ürün performansını, rekabet konumunu ve ürün fiyatını anlamlı bir şekilde etkilerken, ürün şöhretini etkilememektedir.

**Anahtar kelimeler:** Ürün Geliştirme, Ürün Geliştirmenin Boyutları, Zihinsel statü Konusu.

## **ACKNOWLEDGEMENTS**

I would like to express my sincere gratitude to Prof. Dr. Mahir NAKIP for his supervision, special guidance, suggestions, and encouragement through the development of this thesis.

It is a pleasure to express my special thanks to my family for their valuable support.

# TABLE OF CONTENTS

STATI	EMEN'	T OF NON-PLAGIARISM	iii
ABSTI	RACT.		iv
ÖZ			vi
ACKN	OWLE	EDGEMENTS	viii
TABL	E OF C	CONTENTS	ix
LIST (	OF TAI	BLES	xi
LIST (	OF FIG	URES	xiii
LIST (	OF AB	BREVIATIONS	xiv
СНАР	TERS	:	
1.	INTR	ODUCTION	1
	1.1.	Background	1
	1.2.	The Importance of the Study	3
	1.3.	The Relationship between Product Development and Mind Status	3
	1.4.	The Reasons for Choosing this Subject	4
	1.5.	Literature review	5
2.	PROI	DUCT DEVELOPMENT (PD)	10
	2.1.	Discussing Concepts about Product Development	10
	2.2.	Importance of Quality during Stages of Development	12
	2.3.	The Dimensions of Product Development	13
	2.4.	Product Life Cycle and Product Development	23
	2.5.	The Relationship between (PD) and the Dimensions of the (PLC)	25
3.	MIN	D STATUS (MS)	31
	3.1.	General Information and Concept of Mind Status	31
	3.2.	Strategies and Fundamentals of Mind Status	41
	33	The Relationship between Strength of Mind Status and Percention	52

4.	APPI	ICATIO	ON OF TH	IE RESEARCH	66
	4.1.	Research Questions			66
	4.2.	Methodology			68
		4.2.1.	Variables	Measurements	68
			4.2.1.1.	Dependent Variables	68
			4.2.1.2.	Main Independent Variables	69
		4.2.2.	Population	on and Sampling	69
		4.2.3.	Multiple	Regression Analysis	69
	4.3.	Analys	is and Disc	cussion	71
		4.3.1.	Descripti	ve Statistics	71
		4.3.2.	Sample C	Characteristics Analysis	71
	4.4.	Analys	is of the M	ean and Standard Deviation for the Study Variables	76
	4.5.	Analys	is of the	Effect of Independent Variables on Dependent	
		Variab	les		77
5.	CON	CLUSIC	)N		82
REFE	ERENC	ES	•••••		R1
APPE	NDIC	ES	•••••		<b>A1</b>
A	. THE	QUEST	ΓΙΟΝΝΑΙΙ	RE I	<b>A1</b>
A	. CUR	RICUL	UM VITA	Е II	<b>A5</b>

# LIST OF TABLES

# **TABLES**

Table 1	Marketing Strategy Dimensions within the (PLC)-Goals	27
Table 2	Marketing Strategy Dimensions within the (PLC)-Product	28
Table 3	Marketing Strategy Dimensions within the (PLC)-Pricing	28
Table 4	Marketing Strategy Dimensions within the (PLC)-Channels	29
Table 5	(MSD) within the (PLC)-Communications	29
Table 6	Definition of (MS) According of the Views of Some Writers	33
Table 7	Organizations that Provide their Customers Advantage, Price and Value	42
Table 8	Result of Study Sample Distribution according to gender	72
Table 9	Study Sample Distribution according to Age/years	72
Table 10	Study Sample Distribution according to Educational level	72
Table 11	Study Sample Distribution according to Mobile Model	73
Table 12	Study Sample Distribution according to Number of Mobile	73
Table 13	Study Sample Distribution according to Change the Mobiles	74
Table 14	Study Sample Distribution according to Mobile maintenance	74
Table 15	Study Sample Distribution according to Prefer Brand	75
Table 16	Mean and standard deviation to measure attitudes of the sample toward study factors	76
Table 17	Correlation, Determination and Regression Coefficients of the	
	Relation between Product Development factors and Mobile	77
	Diversity	
Table 18	Correlation, Determination and Regression Coefficients of the	
	Relation between Product Development factors and Mobile	78
	Reputation	

# **TABLES**

Table 19	Correlation, Determination and Regression Coefficients of the	
	Relation between Product Development factors and Mobile	79
	Performance	
Table 20	Correlation, Determination and Regression Coefficients of the	
	Relation between Product Development factors and	80
	Competitive Position of Mobile	
Table 21	Correlation, Determination and Regression Coefficients of the	
	Relation between Product Development factors and Mobile	81
	Price	

# LIST OF FIGURE

# **FIGURES**

Figure 1	IPhone Model	30
Figure 2	The Expected problems of the mind status	41
Figure 3	The Mind status strategy diagram	44
Figure 4	The Basics of the mind status strategy	48
Figure 5	Retuning the mind status in the retail market	5(
Figure 6	Determining the effectiveness of the mind status	56
Figure 7	Model of the study	67

# LIST OF ABBREVIATIONS

PD Product Development

MS Mind Status

RD Research Development

MSD Marketing Strategy Dimensions

#### CHAPTER 1

#### INTRODUCTION

## 1.1 Background

In today's demanding global economy and product success depends on a company's ability to beat the competitors to market with products that capture customers' imagination with stylish yet appropriately functional content. This performs as required while being delivered at a price the market is willing to pay. In other words, the products must be able to satisfy customer requirements for timing, function, performance, style, and price.

Since these variables frequently change during the course of a product lifecycle, the innovation process must be able to account for change and easily accommodate its demands on a systematic and repeatable basis. In the field of production and operations management, and marketing management, many researchers insisted on the importance of product development (or products), which is produced by the company because of its impact on the survival and growth. When a company develops its existing products is considered the right way to survive, grow and succeed. The success of any company depends on its ability to develop its existing product. Therefore, it is better than those products presented by competitors, and it is including the attractions of the customers in the framework of the entrance oriented production toward them. Also, the customer recently does not stop at a specific need for a product that he sees at first. Moreover, because there are many competitors, technological development and customer demand grow more than before, which makes them expect better and improved products from time to time.

Due to ongoing developments in the business environment and changes in consumers' tastes and the intensive competition in markets, all these factors have led to increase the interest of the organization in consumers' markets. This is confirmed

by the reality of local and global markets today. Organizations cannot continue and succeed in the markets unless they direct their concerns and their marketing programs towards their customers in order to satisfy the needs and desires of customers. Consumers' attitudes are constantly changing and this is reflected in the buying criteria in addition to the perception of brands available in the markets.

Due to what is mentioned above, the importance of attention to the concept of mind status launched in the early seventies refers to the importance of the mind status in the activation of the role and the organization's activity in the markets.

Loyal customers are those who purchase repeatedly, and they are generally considered an asset to an organization. Ideally, a loyal customer will continue to purchase from you even in the face of certain challenges, such as cheaper prices offered by other companies. Truly loyal customers will continue to buy even after a customer service failure where their expectations are not met and they have a negative experience, such as a service not provided as specified, a broken product, or a delayed delivery. I want to develop loyal customers, because I hope that in the face of a customer service breakdown, they will "forgive and forget."

In this regard, this study has focused on the analysis effect product development on customer's mind based on the results and implementations of the theoretical studies and empirical research carried out by the previous literature. In order to figure out the impact of the development of attracting the customer of today, an empirical analysis is carried out in the final part of the study. Based on this, this study is basically aimed at answering the research question as to whether this development has an effect on the customer. In this sense, this study consists of the following parts:

- The first part, the introduction, expounds the importance and reasons for selecting the subject study in addition to a literature review;
- The second part of the study expounds the concept and importance of product development and the relationship between life cycle of a product and product development;
- The third part of the study presents general information about mind status and the relationship between mind status and perception; and
- The final part of the study presents product development dimensions and their effects on customer mind states through the application of multiple regression analysis.

## 1.2 The Importance of the Study

This thesis aims to show the impact of product development in the life of an organization and its contribution to the survival of an organization. Furthermore, it aims to show its contribution to meet the growing needs of customers, especially with the intensity of competition and the small size of market opportunities for companies. In order to develop a position in the market when companies develop their products, which will in turn contribute to the emergence of companies specializing in development and research activities. In addition, it provides scientific and technological support needed by companies, which want to develop their products and production processes. Finally, this study seeks to add a scientific and academic dimension throughout the presentation of the logical relationship between the variables of product development in the promotion of the mind status of the user.

## 1.3 The Relationship between Product Development and Mind Status

Product development is one of the riskiest, but most critical, strategies in any competitive industry. (Cooper, 2001 & Clark, 2006) Many companies have built competitiveness and obtained tremendous profits through product development. The impact on the mind of the consumer and of innovative behavior cannot be overemphasized. Launching new products and services on the market represents an important source of increasing the size of a business and the profits of a company (Alves, 2004). Organizations that regularly innovate and produce new products attract consumer innovators and other members of the social system to adopt the innovation and develop (Rogers, 2003). More so, consumer innovative behavior explains the degree to which members of a social system are quick to adopt or purchase a developer's product.

Today firms and organizations are required to deal with a dynamic environment within which innovation and creativity have become vital competencies (Mathisen & Einarsen, 2004). Firms and organizations need to maintain a constant flow of product development if they want to compete favorably and attract an improved mentality of the customer. To remain ahead of competitors, firms need to generate a high volume of ideas and translate them into commercial and technical success. This, when

efficiently and competently carried out, will thus attract different categories of product adopters with innovative behavioral competencies.

## 1.4 The Reasons for Choosing this Subject

I chose this subject since it contributes to prolonging the lifetime of a product. Moreover, it has not hitherto received sufficient interest in researches and studies that it deserves by offering a simple addition to this field. In addition, the study endeavor to highlight a number of possibilities for the development and successive stages of marketed products following scientific and planned methodologies in order to achieve positive results and to avoid the problems that often accompany the launch of a new product in the market. These problems often lead to decreasing the actual attempt of development.

The fact of the global markets today, which face intense competition between global organizations, requires adopting the mind status strategy of the customer in order to achieve the largest possible marketing share in comparison with any competitors. In order to achieve such a target, an organization needs to present something unique and different from its competitors. Therefore, it needs to be able to convince its customers to accept and acquire the product and build a significant mind status.

#### 1.5 Literature Review

Many writers have discussed the topics of this study with varying points of view and these concepts have a great effect on the behavior of buying customers. These studies are:

## 1.5.1 Previous research on product development

Sobek and Ward's study (1998) entitled "Steps of Product Development in Toyota Firm" shows the stages of firm development at Toyota with a new path that achieves stability and power for the company in addition to its products through its concentration on the demands of customers. The mentioned study can be done through the following six mechanisms, which can be further divided into two groups.

The first group is the united, social hypothesis that includes perfect driving, organized exchanging and direct supervision, all of which can achieve stability and constant employment. The second group includes profiling levels that are followed in the profiled company with all the skills and operations as well as designs in order to complete the life cycle of company products. The study reaches a conclusion which shows that it is important for the firm to depend on its own efforts and skills in developing and designing products. This development has a great role in prolonging success in competitive markets.

In this regard, Rawy (2005) performed the study titled "The Effects of some Environment Elements on the Technological Creativity" confirms that the firms are working on presenting new products never previously made. The administrations of these companies are supporting research and development projects in order to present new products. In addition, these companies have many alternative materials to manufacture new products. These firms have more information about technological development outcomes as well as broad experience and skills in presenting new products. These skills and experiences play a part in producing a variety of products to meet the needs and desires of customers. The firms also depend on creativity in producing new products due to the possibility of new competitors in the industry affecting firms when making new products; therefore, these firms make a comprehensive study of a product. Finally, these firms are working to produce new products to increase their profits.

Eisenhard & Brown (1998) presented the study under the title "Competitive against Time in Intel Firm". And presented a solution to the process of designing and developing products according to the concept of racing against time for the Intel firm in making computer chips. The study gave a result stating that applying this concept helps mangers to avoid the mistakes that usually occur during the changes of firm decisions. Moreover, the study advised the company to compete with itself in order to control the market and in this manner the company would beat the other companies in the field of its own products. Also, Emanuele (2004) in his study titled "The Externalization of R & D Activities and the Growing Market of Product Development Services". Understood the type of support which is presented to help the developer produce a new product either by one company (a company capable to support the whole process) or by a group of companies with each company playing

its own part in the development process. Additionally, the study showed that there is competition in the product development field. In this regard, Porter (2003) added a study entitled "Improvements Reviews in New Product Development". It confirms the success factors for the development of new products. The researcher concentrated on how success depended on factors such as technological creativity and the common competition in any firm. Top management shares in the development of new products. However, on the level of the success of the new single product, the most important measurement that is used in this field is the measuring of market share and profits, while measuring the success of the company is the sales record. Sameer Walled Hallak (2008), in the field of product development impact on the customer, presented a study entitled "The Impact of Products Development on Dairy Products Consumers Attitude", which was aimed at revealing the impact of product development on dairy product consumer attitude by showing the impact of product features, product quality, and technology usage on dairy product consumer attitudes. In addition to examining whether there were any differences in the dairy product consumer attitude according to personality characteristics differences, the study yielded the following conclusions:

- 1. There is a significant statistical impact of product development on consumer attitudes;
- 2. There is a significant statistical impact of product features on consumer attitudes; and
- **3.** There is a significant statistical impact of product quality on consumer attitudes.

#### 1.5.2 Previous research on mind status

Swand and Combs (1976) presented a study the impact of product performance on customer satisfaction under the title of "The Product Performance and the Customer Satisfaction", which showed that customer satisfaction is found in the concept of expectations about product quality. Satisfaction is often not achieved as expected by the customer, who expects better in terms of product performance. The study resulted in putting forward a new theory about satisfaction and dissatisfaction of the customer that is based on the concept of expectation and specializes in analyzing the market,

also known as two factors theory. It points out that the customer judges products on the basis of a set of features, some of which are relatively important in determining the level of satisfaction(failure to achieve them will create dissatisfaction for the customer), in addition to other features which are not critical to satisfaction. In order to determine the difference between these features, the authors found two aspects of performance:

- 1. Material Performance: indicates the technical functions that must be available in the product and which measures the level of its functional quality, such as its dependence, compliance, robustness and strength;
- 2. Express Performance: indicates the non-technical functions or psychological features of products, such as the shape and aesthetic.

Azawy's study (2002) titled "The Dimensions of the Quality and the Product Development with Their Influence in Empowering the Local Products in the Mind of the Iraqi Customer". Explains the concept of mind status and the methods of achieving mind status. Moreover, it studies the dimensions of mind status on the position of products in the mind of the customer, which was applied to local tire manufacturing organizations in Iraq. Finally, the study invited these organizations to develop their products to compete with imported products as well as to improve the mind status for their products in the mind of the Iraqi customer. Thorson (1989) added the study titled "The Product, Mind Status and Classification of the Market", which confirms the strong relation between these three concepts. Moreover, it explains the reason behind an organization's success, which is connected to the mind status of products and the brand. The study also mentions that the process of market classification is to identify similar needs of customers. Additionally, the study confirms the importance of development in the creation of the mind status for the product.

Rosa (1998) added a study entitled "The Sensation Maps and The Mind Status", which refers to an existing connection between the properties of a product and the customer's imagination (mind status) about the product on the one hand, and the importance of the product's properties in achieving the process of sensation on the other. The study also discusses the process of building mind status through the properties of a product and the influence of those properties on the customer's sense for the product. On the other hand, Dukes (2001) in his study titled "The Mind Status

Strategy for Spreading the Trademark", refers to the importance of differentiation of products and building mind status for products. Product differentiation has many forms. In addition, the study confirms the connection between spreading a trademark and the significant properties of products. Recklies (2001) conducted interesting research about mind status strategy in the market, titled "The Mind Status as One of the Decisions in the Marketing Strategy", shows that product status is a conclusion of inserting properties desired by customers into a product. In addition, the study confirms the ability of building status by depending on the properties desired by customers and in a method which guarantees differentiation from other competitors. Moreover, the study confirms that good mind status can be concluded from the perfection of the activities of an organization.

Wiseman (2003), in his study titled "The Mind Status of the Products", explains the concept of mind status and its historical background. However, the study confirmed that product status in the customer's mind depends on the comparison process that customers make when shopping; usually the customer selects a product which suits his needs. Moreover, the study confirms that one of the best methods to build good mind status is to present good products and to meet the needs of customers. The study also mentioned that good mind status helps organizations to confront any intense competition in the market.

On the other hand, Ruth & Bolton (2005), in an interesting study titled "Customer Level Profitability Implication of Satisfaction Programs", confirm that the satisfaction of the customer is one of the important factors that affect the concerning expectation of future profits. The customer who is more satisfied will continue to buy products in comparison to less satisfied customers. Finally, strengthening the mind status of the customer about a company's products is an important strategy for repeat purchase. Fredrick (1996), in his study entitled "Learning from Losing the Customer", indicates how to maintain customers and enhance product status in the minds of customers as well as to know the methods that can be followed to reduce the permanent loss of customers by diagnosing the reasons behind the customer's refusal to deal again with the company. Among them are:

• The management not understanding and perceiving the relation between customer loyalty to company products and increasing sales, and those uninterested in meeting customers' wishes and expectations.

- The difficulty to determine and diagnose the customer who is loyal to the company, and should be maintained and not lost.
- The difficulty in recognizing the reasons that lead to the reduction of contentment and perception of the customer with company products, as a result, losing him, and then working to avoid such issues and not to repeat them in the future.

The study recommended the importance of higher management being interested in the subject of the loyalty and contentment of customers, and to consider it as a strategic goal by responding to the constant changes in customers' wishes by comparing with competitors. Customer loyalty is achieved by the customer's advantages and from the products that he owns

#### **CHAPTER 2**

#### PRODUCT DEVELOPMENT

## 2.1 Discussing Concepts about Product Development

Success of an industrial project is based on the project's ability to improve current products or new products in order to meet consumer demand, to satisfy desires which are constantly changing, to face competitors and to prevent competitors from earning a high market share. Therefore, the success of an industrial project will enhance and attract customers to the products which are directed toward them.

Development is the set of activities that transform a concept so as to satisfy perceived need for a product or service that is ready for the market (Bhimani & Mulder, 2001, 5). Product development means inserting new changes and modifications into products or particularly into an already existing product (Naeem, 1999, 198). In addition, the concept of product development is centered on a product or existing products that companies produce by making improvements and modifications to the products in order to present a product or new products that meet the needs of customers constantly (Kashmolla, 2007, 35).

In this regard, Baker said there is a strong correlation between market needs and product development or the products themselves which are available in the market. This matter requires the companies to pay attention to product creativity, which includes presenting new products as well as developing existing products (Baker, 2005, 6). The product development process helps the growth of sales and increases income in addition to the investment with other financial indicators. Moreover, developing and improving the expected performance of a product which has already been developed may make the product more desirable in markets by providing guarantees to customers while shopping for this product (Albert, 1993, 280). There is a relation between product development and green marketing. I consider this relation

as one of the important topics for modern companies in industrially developed countries. Moreover, there is confirmation of the importance of manufacturing and green marketing relations with the environment. This relation is carried out by developing the product and diagnosing its environmental affects in addition to the life cycle of the product from the beginning of the production stage until the ending stage.

This means that when a company attempts to produce a new product, it should take into consideration how much this product will suit the environment and market to meet customer needs. Since customers care about protecting the environment, companies are driven to care about protecting the environment when a product is developed and marketed (Philip and John, 1999, 354-355). In addition, companies face intense competition in most markets in which they trade their products. Therefore, this matter requires companies to adopt the process of continuous development of their products because of the constant changes in the needs and desires of customers. Another reason for this approach is the short life of most products in the market as well as strong competition in local and global markets (Soleman, 1995, 106). In addition, the product development process is a continuous and sequential process where all departments of a company take part in the process with each department taking part within its field of experience.

Every department contributes to the development process beginning from the research and development department, followed by the departments of development and production. Finally, the product is developed step by step (Palmer, 2000, 130). Therefore, it is important to develop products in a manner that suits the needs and desires of customers. Moreover, the development of a product should be in accord with the economic dimension. In other words, the price of a product should suit the purchasing power of customers. Additionally, it is important to consider the cultural dimension during the development process (Alan & Richard, 1995, 302).

Moreover, product development identifies the benefits that are provided by the product in relation to its qualities; therefore, decisions of these specifications greatly affect the response of customers towards this product (Omer, 2003, 202). It is the role of production and sales managers in similar industrial companies to design systems that contribute to the successful insertion of new products into markets. If those managers are unable to do so, such companies will be exposed to inevitable

losses, which require development of the products and provide new products to satisfy the desires of consumers (Hiezer & Render, 2000, 134-136). It is indicated that the process of development of a product will contribute to increased benefits for a company and customers on condition that the product is able to meet their needs and desires. Therefore, the development of a product has a positive effect on a company's business (Beyer & Holt 2003, 16). The development of products according to best practices, which is the basis of survival in the markets and increase their ability to compete, must be carried out in the shortest possible period of time (Vagasi, 2002, 250).

According to the information above, I can say that the concept of product development centers on existing products. Current products are produced by companies through modifications and improvements of existing products. Therefore, this process constantly leads to the supply of a new product to meet customer needs and desires. Moreover, companies use this method during the maturation stage of a product's life cycle in order to enable it to survive the longest possible period in this stage. This can be done by improving the quality of the product and by presenting a product that is environmentally friendly through the company's attention to production and green marketing in order to meet the general and specific needs of customers.

#### 2.2 Importance of Quality during Stages of Development

Quality improvements are important in all the product development phases, starting from planning the idea to disposal of the product. In all the phases, there must be an effective work in quality improvement through planning the product, followed by defining the customer demands and wishes. Market researchers and the analysis of competitors are important tools in this field. With these tools, demands change into ideas about new product features that are introduced to the market by the designing phase that can be divided into three main sub-phases:

- 1. System design: the most innovative phase in which the technical solutions of the product idea are determined;
- 2. Parameter design: determines the design parameters on which the selected technical solutions will be based;

3. Tolerance design: the stage at which the tolerance cases are determined depending on cost contrasts, production process potentials or international measurements.

Therefore, the quality of manufacturing which is determined by designing the manufacturing process and the quality requirements that are applied to the product development should also be applied through developing the manufacturing process. At the beginning of the manufacturing process, it is natural to make efforts to improve quality and achieve effectiveness in the manufacturing process. The methods of statistical control are considered to be for important management to find the reasons of contrast or deviation in the manufacturing process. Using the product and its subsequent depreciation may cause environmental pollution, which becomes very important in enhancing the product status in the minds of many customers. Emphasis of this problem deepens when the company thinks of gaining new customers in the future due to its direct impact on quality; therefore, this requires choosing the side effects that result from using or depreciating the product (Azawy, 2002, 111).

### 2.3 The Dimension of Product Development

The perspectives of researchers in the product management field, production and operations management differ according to their background and philosophy about the special dimensions that are related to the development of a product. Therefore, the study will shed light on the following topics:

## 2.3.1 The Concept of a Product's Development Dimensions

Contemporary literature and references in production, operations management and marketing management generally deal with the concept of the dimensions of product development. Emphasize the importance of the dimensions of product development and consider them to be a subset strategy for the continuous communication and a desire to expand since the expansion process may be available to a company by searching for unmet needs. These dimensions change significantly according to the tastes and capabilities of customers (Sharman & Salam, 2001, 145-146). Competition

strategies for the product dimension are based on rational assumptions represented as the basic reason for a company to exist and continue in its growth and stability in the market. The introduction of a product has a value and service to customers. The company should also have a strategy representing a combination from the product dimension in order to define its way to build a competitive position (Philip & Turner 1993, 668). Therefore, production in general may be at variance if I find the important bases to distinguish the product from any competitor's company. These bases may or may not be in a customer's mind; therefore, diversity is useful for a consumer who may return for a change in the product from another competitor's production. The production may differ if the customer believes that it differs from his perspective (Dalrymple & Parson, 1986, 631).

Furthermore, Helen & David (2001, 3) indicate in their development study for the dimensions of product development that the development operation is very important due to its dangerous effects. Therefore, the researcher stresses that the development and introduction of new products, receives success in the market, which is the focus of growth in companies, sophisticated products from high-risk projects notwithstanding. In spite of the progress made in both research and practice, it sometimes puts companies at great risk which is linked to and inherent in development. The development strategy is based on the avoidance of risk, so managements should develop and apply new methods to diagnose and define risks. Watter (1994, 36) asserts that quality begins with data or by finding out what the customer needs through marketing research and development and by identifying competitive dimensions that can be relied upon in circulating a product that satisfies the customer.

Additionally, Karim and Sabah (2004, 128) state that justification of the dimensions of product development is the emergence of intense competition taking place in the markets, which necessitate that companies differentiate their products as well as scientific and technical developments. Askari (2000, 101) reveals that discrimination is one of the basic dimensions of a product, thereby facilitating selling and purchasing operations since it gives sellers and buyers a contract on the basis of the brand without the need for prior knowledge or examination. This leads to the existence of a common language which is agreed upon in order to find business and commercial expression that prevails in the market and the consequence of saving

great time and expense. Juran (1988, 217) indicates that dimensions of product development that put a company into a competitive state which leads to a search for an owning combination have management organization units work on achieving target quality. Shafer (1998, 185) confirms that the importance of the dimensions of a product, which are status-linked to the performance of the product during a certain time period under the operating conditions as well as an associated product, consist of multiple interacting elements, including products such as machinery, banking services and medical treatment, as well as production systems and assembly lines.

### 2.3.2 The Importance of Dimensions of Product Development

The research in the dimensions of product development stems mainly from its concept and by return to the concept of product development, I note that it focuses on providing a new product or on making improvements to the current product for a particular market.

Some of the research deals with the substance of the concept of product development in its multiple dimensions, and some which focus on excellence, where the product is distinguished from other products in market. Moreover, the superiority of the product gives productive companies an important basis on which show how exciting and motivated selectivity to the customer and products in general can be found if the diversity of the foundation is important to distinguish the product to the company for the remaining companies involved in the competition.

The focus is on customer satisfaction, which depends on rapid response to the criteria (as requested by the customer), which has been discovered in the recent rapid response to new markets by companies to the needs of customers. As a result, manufacturers generally spend large amounts of money on a new product development process. In the pharmaceutical industry, for example, a period of research and development, and testing on a new drug may last nearly 15 years, in addition to the possibility of testing the new product by customers at low cost or gratis if the new product can encourage the customer by giving the customer free or low-cost products (Kashmolla, 2007, 44-45).

For the purpose of the product development in consideration and for the high possibility of success, author should take some of the qualities that must be available in it and have an impact on the demand component and extent of acceptance from the consumers. These include:

#### 2.3.2.1 Superiority

From the importance of the ways that lead a company to outperform other companies is its ability to provide a product that is distinct from other products.

In this regard, Pavitt (1995, 17) sees that a company's superiority is achieved by bringing to the market a new product that is added to the other products without affecting the previous products included in the same production line. In other words, the product has new and unique features, which are originally the result of the original product. Nicholas (1999, 15) emphasized making the company's products link to the life cycle of the product. In the maturity phase, we can see that the form of competition changes entirely in this period, and after the product has achieved success in the market in spite of the product being in the growing phase, competitive companies endeavor to make their products as non-homogeneous as possible from the viewpoint of customers.

This implies that they make changes and developments in their existing products to attract and entice new clients in the existing market by making improvements and modifications to the product and granting them with a distinctive mark from competitor products so that customers feel that the product is new; therefore, product distinction is used in this phase as a result of market division which is producing a new product for a group of clients with mutual needs and preferences.

Kotler (1997, 283) indicates that supremacy is an inevitable result of the development process that includes existing products. The distinction of the product is designing a set of clear varieties that distinguishes the offers of concerned companies from those offers of competitive companies, and contains a set of specifications that must be available in order to achieve the distinction process. These are called the development dimensions represented by features, the product specifications, the performance quality, matching, durability, reliability, maintenance and reparability, the shape and form of the product, and finally the design. Karim & Sabah (2004, 54) add that company distinction is not limited to one specific job or activity; rather, it may appear in all the work of a company. Additionally, the products of a company

that are distinguished from its competitors should be distinguished and unique in the industry in which it operates.

A distinction must be viewed as it goes beyond the financial features and the service qualities to include everything relating to the product and affecting the possible value that the customer takes from the product. In addition, the competition feature aims to build a system that has a feature that supersedes other competitors.

Through customer evaluation in a proficient and sustainable manner, it can be continuously better maintained and offered than others. Ralph (2000, 105) refers to the association of the distinction process in most products, mainly consumer products with the principle of increasing demands on the product and the importance of the product in the market. Where in the case of increasing the demand on the product the offer will increase, the competition between industrial companies will also increase. Therefore, companies will be obliged to implement a policy of distinction and development of the product that comes with some additions and other aspects that the customer may or may not need.

Fletcher (1990, 129) adds that the danger of supremacy in the company's products is that the additions or modifications may not be useful or effective for customers where they may feel that they are not achieving any additional advantages in the products to meet their needs and growing preferences.

In the light of the aforementioned review, it is clear that there is an urgent need for companies to adopt the market orientation concept in response to domestic and international changes. The next challenge for companies is how to achieve and maintain market orientation. In addition, the most important element that distinguishes companies with market orientation is their ability to sense changes that are occurring in the market place and connecting them with the needs and demands of customers.

#### 2.3.2.2 Satisfaction

In this subject, Kotler (1997, 34) has defined customer satisfaction as the final result of assessment done by the customer for a specific exchange, and that dissatisfaction and complementary behavior are only a result of a decision to make a purchase. He describes satisfaction as the normal feeling (positive or negative) that occurs after the

purchase process, and the fact that a customer complaint is only a comfortable expression of dissatisfaction.

Judging satisfaction and dissatisfaction is the result of comparing customer expectation with regard to purchasing the product and its actual performance. Moreover, if purchases were lower than expected, it would be the result of dissatisfaction and a negative feeling, and if the revenues were better than expected or positive, the assessment would be positive. All of this will affect the extent of satisfaction that is felt by the customer through acquisition of the product.

Kotler (1997, 47) adds that the cost of attracting a new customer for any company equals five times the cost of retaining the customer and keeping the customer satisfied. The cost of attracting a customer requires a great deal of effort, searching and time. In addition to spending money on mediators, companies must plan their strategies and plan positively while seeking to achieve their goals, including providing a high quality product to achieve customer satisfaction.

Furthermore, Oliver (2003, 430) has also confirmed that the relationship between customer satisfaction and profitability is strong and original, and it would be unwise for companies to ignore customer satisfaction programs. Such companies were warned of slight deterioration, which occurs with the customer satisfaction since it will reflect on productivity whether the customer is external or internal. In either case, it is in the interests of, and loyalty to, the customer as it will be affected by the product.

Richard@business-coaching.com adds that satisfaction is a phenomenon that is seen from customers and may be explained through reports and letters, which implies achieving positive customer satisfaction. Regarding the relations of companies with their customers and clients, I note that the customer is valued by these companies; therefore, customer satisfaction is related to the level of performance provided by those companies, in addition to predicting what comes into the mind of the customer to meet his needs and desires. It follows that satisfaction is not obtained by the customer when the latter is expecting other promises. This is clearly manifested in service companies, such as hotels and restaurants as customers will have a variety of choices regarding suitable hotels or restaurants which meet most customer needs and desires. Altmane (1998, 55) confirms that satisfaction is a short-term standard that focuses on the personal and emotional reaction to the product that originally relates

to the level of quality, which is directly proportional to it positively and negatively. Furthermore, satisfaction results from comparing between the perceived service and the expected service.

Ronald (2003, 215) has clarified in his article titled The Superstition of Customer Satisfaction that if satisfaction fails to lead to loyalty, it will not lead into profitability. Robert (2004, 3) also adds (in his study of the relationship between customer satisfaction and its introductions and results that were discussed extensively) that customer satisfaction results in increasing purchasing intents and confirms that there is a positive relationship (the cases of actual re-buying) with the company. Richard (2005, 40) clarified in his study that connected between customer satisfaction and the level of a company's performance that there is an importance in estimating the relationship between customer satisfaction, company performance and the competition between companies. He also found that there is a positive relationship between the changes in customer satisfaction and changes in the level of company performance.

Porter (2005, 3) adds that the principle of customer satisfaction should not remain because it is the goal that the company wishes to achieve, and what occurs in modern management maintains the customer with customer satisfaction giving a false feeling at best.

#### 2.3.2.3 Inspection and Testing

The process of checking and testing a product which author want to develop is not an optional process for a company. Nevertheless, it is an important stage for the development of a product and the maintenance of its quality. Any company that wants to achieve a good reputation in the market and develop its products according to customer needs should develop its products.

In this regard, Schroeder (1985, 62) sees that testing is designed to ensure the accuracy of specifications and level of durability in addition to customer acceptance of the product. Wheelwright (1989, 112-125) refers that sometimes testing does not achieve the desired results as the testing process is at times regular and random at other times. Therefore, according to this, a company will find answers to many important questions.

Bergman (1994, 34) says that testability is that degree to which we can test a product through experimental tests at the lowest costs which customers spend. The ease of testing of developed products enhances their value by customers through intensive efforts which improve the quality of the product starting with controlling the inputs of the production operation and achieving efficiency in the manufacturing process and ending with the final product by using statistical control methods to correct the deviations.

Shafer and Meredith (1998, 154) add that specialists in the field of developing products in industrial companies form the prototypes of products by using wood or porcelain to test and modify them. Kotler and Armstrong (1999, 282) clarify that when any deficiency came up in test results, specialists started developing a correction for this deficiency before moving to the next level in spite of the fact that testing is very expensive. However, such deficiencies are negligible in comparison to the serious mistakes which could occur and cause huge losses to companies if tests had not been carried out. In the same direction, Mohammad (2000, 108) refers that the object of testing the process is to separate defective products from those matching the specification, measurements and required accuracy. The goal of the testing process is to ensure that the final products do not mix with rejected products. Moreover, the number of times tests are carried out may number between one and several times per product.

Hail (2001, 307) confirms that the testing process is to assess the conformity degree of outputs for specific features, or the product's conformity to the technical features designated to it. This test is determined by the nature of the products and the specified features through the design and level of cost and work productivity, machine types and equipment used in the testing process. When and where this test is determined during the productive process according the nature of productive work, products and features has been tested.

#### **2.3.2.4 Rapidity**

In this regard, Klein Schmidt (1997, 55) indicated the importance of every company to prepare a plan to develop their products quickly. Through this plan, one can define the research direction for new ideas and those related to the development of products and identifying the required changes for work to save time, effort and money.

Leong (1999, 119) confirmed that the ability of a company to provide developed products as quickly as customers demand is affected by a number of changes, among them planning the productive power for the company, machine rest time, working cycle, supervising the product development process, in addition to any internal delivery and storage policies.

Wheelwright & Sasses (1989, 113) consider that with the accelerated changes in technology and increasing competition to provide whatever is new, and the impact of that on the life cycle of the product and its shortness, products reach a decline phase more quickly than previously, which necessitates that companies decrease the required time period to design and develop products according to the extensive competition in the market. Managers in general, and production and marketing managers in particular, should see the developed product as an opportunity to face competition and to build confidence with customers who desire continuously developed products.

Russell (1998, 20) indicates that the rapidity in developing products and responding to the demands of customers has become one of the essential competitive features of any company. Markland (1995, 84) considers that rapidity means the portability of a company to reduce the timelines specified to develop a product and to deliver it to the customer in a timely manner. Facitznger (1997, 111) confirms that the importance of the speed variable as a variable of product development lies in facing the company with all the pressures from customers and competitors and the owners of any property rights, as the rapidity in developing a product leads to reducing the time, effort and cost borne by the company and thus delivering customers' orders in a timely manner.

Azawy (2002, 102) shows that rapidity as one of the variables of product development means the degree to which the benefits of a product can reach customers at full speed. Karim and Sabah (2004, 58) also pointed out that the

rapidity of development is measured by the time required to develop and design a new product and produce it. If the elapsed time from the moment of idea generation to the final design and production is as short as possible, the better a company can gain leadership over its competitors.

# 2.3.2.5 Simplification

Regarding the importance of simplicity, Katsundo (1996, 98) sees that simplification is about simplifying the product and working mechanism by increasing production lines, as well as reducing the number of products.

Dilworth (1996, 99) asserts that simplifying a product means the dispensing of some materials, components or processes to maintain the continuation of production and trying to reduce complexity throughout the production process. Some of the advantages of simplifying are as follows: reduction of the designing time and production costs, facilitating the packaging process, reducing the costs of purchased materials, lowering storage costs and failure rates, etc. Jack (1998, 190) add that simplifying the program reduces the separated parts and processes required for production, which means reducing the materials required for the product, (i.e., a simple and easy service) as well as reducing the numbers of workers.

Roberta and Bernard (1998, 197) confirm that to simplify is to redesign the product with specific measures, but keeping the old designs for old products, and lowering costs and time simultaneously. Azawy (2002, 101) also adds that it is the ease of using the product by the customer or by marketers and its availability in the market. Alodas (1999, 604) clarifies that simplification means to combine two parts and considering them as one, thereby dispensing with the combination process, which is considered to be a practical issue when using one object on all surfaces and specific sectors.

Gilbert (2002, 303) refers to the fact that simplification is noticing the benefits of a developed product through the customers when they use it. Today, the plan to reduce the weight of new products is common and is being applied by several manufacturers wherever it is desirable and able to succeed through customers.

Najm (2003, 260) says that simplifying a product means determining the best degree of variety of products, where an overloaded variety increases costs, and limited

simplification increases operational efficiency of production systems. The simplification holds key features to make more use of economies of scale (bulk production) thereby achieving the lowest cost per unit of product. On the other hand, it carries a higher risk because it leads to lower sales when there are rival companies which animate greater diversity in their products. Karim & Sabah (2004, 145) confirm that simplification reduces the number of parts, aggregates and options in a product.

# 2.4 Product Life Cycle (PLC) and Product Development (PD)

The product life cycle is an important concept that provides perceptions about the competitive dynamics of a product. A company takes into account the developing product marketing strategy. This shows that the product has a life cycle which is a record of the various stages of product sales beginning at the stage of launch into the market up to the final stage. In addition, this concept has a direct impact on the strategy that will be adopted by the company to create an appropriate marketing mix during the life cycle of the product. This emphasizes the following points:

- 1. The products have limited life;
- 2. Product sales pass through distinct stages; each stage has challenges, opportunities and various problems that the marketer will face;
- 3. Profits increase and decrease at different stages of the product life cycle;
- 4. The product requires many strategies, such as marketing, financial, manufacturing, purchasing and different human resources at every stage of the life cycle. (Kotler, 1997, 345)

In the same field, Dewachi, (1999, 116) add that the life cycle of products varies with the variance of industries and products, uses of technology and markets. By introducing new products to the market and endeavoring to survive as long as possible, they face other competing products and then disappear from the market due to the lack of its potential in the face of the business environment as a result of its developments; therefore, we can adopt new international concepts for the product life cycle, which describes the process across international borders. If the process of product development begins in the country in which the creativity of the product started, then the actual production of the product begins to cover domestic demand

and production of the product increases followed by marketing it across borders to other countries by using the competitive advantage of each country. The product ends in the country in which it started. This country becomes the importer of this product from its initial consumers after developing the product and circulating it as a new product. On the other hand, the variance in economic levels to countries leads to making every product life cycle differ in its stages from country to country. The product may be in its maturity stage in another country and perhaps in a declining stage in yet another country.

Hollensen (2001, 405) shows that despite all of what determines the product life cycle in any products decreases over time, what is required from the management of a company is to provide a product or new products before any existing products lead to the deterioration of the company, which is at the peak of its bid since the decrease of demand for certain products over time is inevitable; therefore, these products are withdrawn from the market. In order to ensure continued success, a company must provide the product (or products), replacing the withdrawn product with a new one. Experience has shown that, for the most part, demand for products in the long-term follows the typical life cycle.

Vagasi (2002, 250) also states that in the light of consumers' desires, many products have decreased in demand and entered a phase of decline as a result of failure to meet customers' needs and desires. This means that product development in the light of the needs of customers will contribute to the survival for the longest possible period of time in the markets.

Also, Hiezerand and Render (2000, 134-136) confirmed that products are born, live and then die because there are products that may not take their life cycle for more than several hours, such as daily newspapers, or monthly such as seasonal clothing, or years such as video recordings, or decades such as a Toyota car.

Vittorio (2004, 65-67) showed that many companies employ external companies to help them in the process of creativity in order to develop existing products to satisfy the needs of customers. This implies that such companies are directed to external funding to support the development process rather than relying only on internal capabilities. Karim & Sabah (2004, 131) indicated that companies that neglect developing products and introduce new products constantly, are being degraded at

the end because sales and profits to meet customers' needs and desires of permanent change is called the products life cycle.

# 2.5 The Relationship between (PD) and the Dimensions of the (PLC)

The development of a product has a direct correlation with the product's life cycle. Many researchers in fields of production and operation management as well as marketing management confirm that all products going through a life cycle, where the development has a direct influence on the possibility of specifying that the product can survive for the longest possible period of time and compete with other products.

In this aspect, Kotler (1997, 345) explains that each company, when preparing a strategy for marketing a product, should take into consideration the life cycle of a product where it will record the movements of sales of the product from the presentation stage to the market until the withdrawal stage from the market. This concept plays a direct role in choosing the strategy that the company will adopt in the appropriate marketing for the product according to the stage of the product's life cycle. Researchers agree with this opinion, which means that the products have limited life and there is no need to mention that the profits and sales of the products increase and decrease in the different stages of the life cycle where each stage has different opportunities and threats that the marketer has to face.

Krajewski and Ritzman (1993, 31) indicate that companies which ignore the process of product development and the presentation of new products with new specifications, will be exposed to deterioration. Moreover, the sales and profits of these companies will decrease in time. All the reasons mentioned force companies to work on developing their products in order to maintain their marketing status. In addition, Eric et al., (1997, 333) mention that the life cycle of products has dimensions which they abbreviates as follows:

# 2.5.1 The Form of the Life-Cycle

Every product has its life-cycle in accordance with the marketing strategy adopted by a company, which depends on the nature of the product whether it is from within the products that need a longer time to be learned by customers in order to use them efficiently such as computers. Those wanting to purchase and use this product need a longer time to know it from the products that don't require a long learning period from customers in order to use them efficiently, such as a color television that is turned on by remote control. On the other hand, there are products with very short life cycles, such as newspapers and magazines, in addition to products with a limited life cycle, namely fashion, which is characterized by rapidly changing the designs and materials used in their production.

### 2.5.2 The Period of a Product's Life Cycle

The writer focused on there being no specific period of time during which a product passes through each stage of its life cycle. This may be specified through the consumption nature of the product. In addition, the means available to the marketer to deliver the product quickly to customers helps to reduce the duration of the life cycle. Moreover, the desire of many companies to use the outputs of technological developments in the operations of producing and marketing can reduce the duration of the life cycle of the product and present new products with new features.

### 2.5.3 Product Life Cycle and the Customer

The product life cycle depends on the number of sales to customers. However, not all customers are able to rush to purchase a particular product from the time of its initial introduction to the market, where some customers purchase the product after its spread in the markets and knowing about it in the growth or maturity stage where it leads to many factors in the relation between the product, market and customers.

### 2.5.4 The Level of Product in Terms of Class, Form and Quality

When discussing the class of a product, I refer to its industry in which the form is intended by variations in the product and the industry. This situation arises as a result of the movement of continuous innovations, technological developments and increased competition that leads the old product into a declining stage and

withdrawal from the market, such as black and white televisions, and the introduction of newer products, such as color television that correspondence with customer's needs and desire. The quality is specialized with what it has from modification and product development in order to satisfy customers' needs and desires.

In this regard, Donnelly (1998, 113) revealed that the appropriate quality of the product desired by customers serves as a common denominator between all stages of the product life cycle, which is required by the company that wants to stay and grow constantly by searching for new ways to develop the product and submit it in a new form and with the appropriate quality for the needs and desires of customer. This means that the quality of the product is one of the key dimensions of product development. Moreover, the author presents dimensions of the marketing strategy within the stages of the product life cycle as in the tables.

**Table 1:** Marketing Strategy Dimensions Within the Product Life Cycle

: cycle	<b>Dimensions</b> Stages	Marketing strategy dimensions in the product life cycle "Goal"		
Stages of product life cycle	Presentation	Establishing the market to type of the first product Opining buyers		
es of p	Growing	Build sales and market share and develop brand preferences		
Stage	Maturity	Definition of brand and market share to search for growth and attract consumers from competitors		
	Decline	Limited cost or search for ways to achieve sales and profit		

**Table 2:** Marketing Strategy Dimensions within the Product Life Cycle

e cycle	<b>Dimensions</b> Stages	Marketing strategy dimensions in the product life cycle "Product"			
uct lif	Presentation	Provide high quality and select the good brand and protect it			
f prod	Growing	Provide high quality with services and enhance the value			
Stages of product life cycle	Maturity	Improve quality and add attributes to highlight the brand from its competitors			
	Decline	Continue to provide high quality to maintain the reputation of the brand and to search for ways to give the product new life			

**Table 3:** Marketing Strategy Dimensions within the Product Life Cycle

e cycle	<b>Dimensions</b> Stages	Marketing strategy dimensions in the product life cycle "Pricing"		
Stages of product life cycle	Presentation	Permanent difficulty to recover expenditures and sometimes low price to promote the demand.		
s of pi	Growing	Sometimes raise the price when there is great demand		
Stage	Maturity	Low price reflects the highly competitive		
	Decline	Low the price to reduce inventory or perhaps raising the price to service the market.		

**Table 4:** Marketing Strategy Dimensions within the Product Life Cycle

Stages of product life cycle	<b>Dimensions</b> Stages	Marketing strategy dimensions in the product life cycle ''Channels''	
roduc	Presentation	Limited channel	
of po	Growing	Big numbers from channels to face the demand	
Stage	Maturity	Increase the channels numbers to promote sales	
	Decline	Limited of channels' numbers	

**Table 5:** Marketing Strategy Dimensions within the Product Life Cycle

ycle	<b>Dimensions</b> Stages	Marketing strategy dimensions in the product life cycle "Communications"		
luct life c	Presentation	From the basics to design educated messages to the type of product and motivate product's samples		
Stages of product life cycle	Growing	In order to expand the category of interested customers with messages that focus on brand and its benefits for the consumer of products and emphasis on advertising		
St	Maturity	Messages should focus on brand variation from competitors to adopt an intensive stimulus		
	Decline	Continue to try to reduce costs		

Source: Paul Peter and James McManus-Bascom, (1998), Marketing Management, Fifth Edition, McGraw-Hill, New York, p. 12.

In this regard, the life cycle of products varies, Shafiq & Nazam (1998, 130) added that the success and failure of companies depend on the adopted product's strategy. This was governed by the new decisions that were taken after analysis of the results of market studies that help the companies in making the correct decisions at every

stage of the product life cycle. In addition to the possibility of prolonging life for the longest possible period of time.

In light of the above mentioned, every company has to evaluate a product at every stage of the product life cycle in order to identify the strong and weak points that correspond with the product from the starting point to introducing it to the markets. In order to help it to identify the strategy dimensions of the market commensurate with the nature of the phase of the product and the variables associated with that stage of its life cycle. The product shift associated from one phase to another within the life cycle that contains changes appears in the external environment, such as changes in demand, competition and so on. This requires high management from the company in order to change the marketing mix to meet the requirements for any change in the external environment. The knowledge of the company's management in general, and marketing management in particular, for the concept of the product life cycle, and hardly within each phase of it, will contribute to the preparation of an appropriate marketing mix, as well as conducting adequate development of the product constantly to meet the needs and desires of customers. The figure (1) below will show all iPhone type which evolved through last years.



**Figure 1:** iPhone Model

#### **CHAPTER 3**

#### MIND STATUS

# 3.1 General Information and Concept of Mind Status (MS)

Due to factors such as the continuous developments in the business environment, changes in customer tastes and the high competition that the market witnesses, organizations are led to increase their interest in markets and customers. Moreover, these factors are emphasized by the global and local markets of today. Organizations cannot proceed and succeed in the market if they fail to focus their interests and marketing programs on targeted customers in order to satisfy the needs and wishes of customers. The position of the customer is such that the customer witnesses a continuous change that reflects on the buying standards and on the customer's knowledge of the available brands in the markets. From this point, there was a great interest in the concept of mind status at the beginning of the 1970s.

### 3.1.1 The Concepts of Mind Status

The first individuals to refer to this term were Jack Trout and Al Ries in 1969. Where they introduced this concept, organizations were based on their advertising campaigns, which depended on the benefit that the product would bring to the customer. The two writers pointed out that this strategy in advertising campaigns may achieve success albeit in the short term due to its ignorance of the role of the needs and wishes of customers in determining these benefits. In this regard, Heskett (1976, 1) says that the concept of mind status focuses on the positive features of a product or service. Furthermore, mind status is achieved at the initial designing steps for a product by creating unique differentiation points that participate in forming an appositive concept in the customer's' mind about the product. In addition, the

concept of mind status plays a major role in achieving success and continuity for an organization. Evans and Berman (1982, 31) indicates the mind status strategy that helps the organization to introduce products according to the perception and eligibility of customers. This will achieve superiority over competitors and will fit the changes in the business environment.

The best company to satisfy customers emphasizes the safety of its customers due to the fact that every customer desires safety. Customer satisfaction has a positive influence on repurchase intentions. Kotler (2000, 299) clarifies that status begins with the product, organization and the customer. Moreover, status is not what an organization does for the product but what the organization does in the customer's mind in order to achieve a distinct mind status.

Obeidat (2002, 142) says that mind status refers to how targeted customers recognize marketing programs of goods or of a brand, by making comparisons with competitors. Azawy (2002, 114) sees that the concept of mind status should be viewed as "A set of precepts, senses, and impression that customers carry about certain products comparing with the alternative competition products where its status rests in their mind with or without the help of marketers." Also, Wiseman (2003, 2) adds that with increasing competition, the expenses of promotion doubled clearly with the aim to influence the purchase behavior of customers. However, organizations went in the other direction, which was to know how to access customers' minds. This was to achieve a distinctive status in comparison with competitors.

The mind status represents a correlation point with the marketing goal and includes forming a new perception that is unique and constant in the customer's mind regarding offers and symbols of the company. In this case, the status of a product or service must be built on the basis of attitude, benefit, usage and the quality level (www.jpec.org, 1).

After this brief explanation of the history and concept of mind status, there is a group of writers who define mind status, as detailed in the following (Table 6) below:

**Table 6:** Definition of Mind Status According of the Views of Some Writers.

	Name	Definition	Year	Page
1	Adrian	Diagnosing, developing and communicating the competitive feature that makes products and services of an organization that is clearly perceived in the minds of the targeted customers comparing with competitors	1993	95
2	Doyle	The related options of a special feature determine how the organization competes with other companies.	1994	979
3	Keegan	1995	305	
4	Baker	The process of defining the directions in which the services and products of the organization can be compared with the competitors.	2000	288
5	Pride	Points to the regulations and activities that aim to create and enhance certain concepts about an organization comparing with competitive organizations in the minds of customers.	2000	283
6	Peter	Peter  The activities related to strengthening the mind status of products and services comparing to the products and services of competitive organizations by focusing on competitive excellence.		79
7	Michelson	Recognition of the targeted market to the organization comparing to competitive organizations; a good mind status requires differentiating what is provided and providing advantages to the targeted market.	2006	1

Based on the above, I can say that mind status means the result of the customer estimating the distinct points in an organization's products compared with competitive products. Additionally, studies referred to the importance of mind status in activating the role and activities of the organization in the markets and in improving the effectiveness of the organization, the success of the organization is

achieved only through interaction with customers and forming what is called mind status, which determines the character of the organization's products for the customer.

#### 3.1.2 Motivated Attention of Mental Status

The distinct mind status is concerned with improving the effectiveness of the organization's strategies by considering the performance, features and demands of the targeted customers and in providing a marketing mixture that accommodates any needs and features. Therefore, the organization avoids introducing products or distinct points that do not suit the demands and features of the marketing goal.

The organization begins to recognize the importance of these mind and emotional relations between the customer and the product because many organizations turn to targeting a certain sector of customers.

Determining the needs and features of this sector of customers introduces a marketing mix that fits the demands of these customers, hence emotional relations between the organization and the targeted customer. These relations participate in the success and effectiveness of the organization in the market. Marketing personnel require information about customers in order to build and introduce marketing mixtures that meet the customer and organization demands in addition to the requirement to achieve a distinct mind status.

Many customers believe that there is similarity between the products in one market that makes it important to form a distinct mind status and its importance increasing in the case that there is similarity between competitors and the competitive products in the market. Whether the activities of the organization are industrial, servicing or commercial, they have a certain share in the market and a certain impact on competition, albeit relatively since an organization that has an interest in customers and a large market share. Such organizations develop, succeed and occupy a distinct mind status by directing the marketing efforts of the organization toward meeting the demands of the market goal (www.5step.com, 1).

The provisions of the long term development of an organization require that the organization's product gains a distinct mind status from competitors, where the

available strengths are utilized in a competent manner in order to achieve that status and to improve and enhance the current status (www.journalism.unl.edu, 14).

A distinct mind status is one of the important strategic methods to achieve success and development in the market for all organizations and to participate in these strategies in determining the effective strategies to face the completion status in the markets. The mind status enables the organization to recognize best the nature and demands of the market aim so as to introduce a marketing mix that fits the customer's as well as the organization's needs (Levey, 2000, 1). The current state of business indicates the increasing importance of the mind status of products for the customers and range of its influence on the buying behavior of customers. Moreover, the mind status produces an adequate distinction for what the organization provides in terms of items and marks compared with what competitive organizations provide (Obeidat, 2002, 143).

#### 3.1.3 The Decisions of Mind Status

The mind status is the responsibility of all since every activity in the organization plays a particular role in achieving the mind status. Therefore, there are sets of decisions that are included in the mind status strategy that aim to achieve a distinct mind status. In this regard, Obeidat (2002, 144) indicates that the strategy of mind status includes a set of strategic decisions that aims to form an integrated strategy which is practically applicable in the targeted markets, in addition to achieving the goals of the organization and targeted customers.

Furthermore, I can say that the mind status decision relates to all components of the marketing mix and its sub strategy. This status is not achieved without integration between these components, some of which refer to these decisions as follows:

#### A. The Decisions of the Product Position among the Competitive Products

With this kind of decision, it determines the type of competition against the pioneer organization in the markets. Dividing the market provides the information regarding the customers' demands and its nature also in addition to the information about any alternative products and their features. Furthermore, studying and analyzing the

products of the pioneer organization in the market is a starting point in determining the kind of product. Percy and Reseller (1997) proposed two main steps in determining the kind of product, which are:

- To determine the features of the natural product, which is called the central status. This represents the lowest acceptable standards meeting customer demand; and
- To improve and develop ordinary demands: "The central status" and adding additional features to the product to meet the targeted rate for the product (www.Ubayton.edu, 7).

# B. Decisions of the Customer's Advantage from the Product.

This includes determining the features and specifications of a product and the benefits that will be focused on in the mind status strategy that is not available to the competitors.

The benefits represent the core of the mind status, in other words, to encourage the customer to recognize the difference between the organization's brand and other brands. In the end, marketers will use benefits to form a positive recognition of the mark in the customer's mind. The marketer should define the content from the unique benefits that are required to build the mind status (www.Ubayton.edu, 7).

In addition, the strategy of mind status relates to all organizational strategies and affects the decisions of the targeted status for all goals of the organization's strategies. An organization's capabilities cannot be ignored when defining the targeted status nor can the goals of the higher administration in achieving gains. The social goals of an organization should be taken into consideration, and mind status must include every strategic decision of the organization as they represent the basis of forming the competitive character and achieving profits in the long-term (Gajo, 2005, 44).

### 3.1.4 Methods to Build Optimal Mind Status

Organizations seek to achieve an optimal position in the market. There are several forms of mind status strategies.

#### 3.1.4.1 Focus on the Needs of Consumers

The customer is considered to be the basic element in building mind status, and organizations endeavor to focus their efforts on meeting targeted market demands. Therefore, organizing searches are very important to define targeted customers and determine their features, motives, needs and expectations and to lead their buying behavior toward the organization's products through forming a distinct mind status in the mind of the targeted customer. Gaining a position in the mind of the customer is the main target for many organizations' strategies. Organizations focus in their research on studying the final customer and to recognize his needs.

There are several methods that lead to recognizing the customers of the organization's products, such as field visits, individual meetings, phone calls and questionnaire forms, the last of which is the most-used method in the field of customer research in which the data of these forms are examined by experts and transformed into features and strategies to meet customer demands through the product of the organization as well as the goals of the organization and society (Richard, 1986, 1-13).

# 3.1.4.2 Workers' Participation

Workers' participation refers to the dissemination of the targeted status, and the simplest way to do so is through the participation of all workers in the organization so as to achieve the targeted status. In addition to taking into account workers' performance in the organization during the process of forming the mind status strategy. This helps to maintain a clear understanding of the mind status strategy and simplifies the process of achieving the targeted status (Gajo, 2005, 25).

### 3.1.4.3 Recognition of Competitive Products

There should be an interest in the strengths and weaknesses of competitive products. The strengths of competitors can be adopted in an organization's product and in order to benefit from these strengths as sources of distinct points. The recognition of the mind status strategy of competitors which enables an organization to implement a more effective and appropriate strategy for competition. Research on competition helps to improve an organization's flexibility and response to the environmental influences of the market and competitors (www.5step.com, 1).

# 3.1.4.4 Recognizing the Strengths and Weaknesses in the Organization

At this stage, the available capabilities and the state of activities are examined. In addition, the strengths, weaknesses and potentials are also determined as well as what is required to meet the demands of targeted customers. This work is carried out by specialized committees. However, it is best carried out from outside the organization to insure credibility (www.5step.com, 2). The aim of this step is to determine the strengths and use them to discover the differentiated points and to improve the weaknesses and turn them into strengths and match them between the available capabilities and achievement of market goals.

There are several methods that the organization follows for the purpose of building strong mind status:

- 1. Specifying retail trade in certain markets;
- 2. Specifying which part or parts are to be targeted;
- 3. Understanding what is expected and what customers thinks as being most important when making buying decisions;
- 4. Developing products and services that benefit these needs and expectations;
- 5. Assessing the mind status and image as they are understood by targeted customers for the products and services of competitors in the targeted part of the market or parts of the market;
- 6. Choosing an image that makes the organization's products and services distant from the competitors' products and services, which guarantees the

selected image as it meets the expectation of targeted customers. The mind status should be reasonable; for example, customers will be incredulous if the Lada or Skoda firms promote their cars in the same manner as the Lotus or Porsche companies; and

7. Informing targeted customers about the products and services of an organization and making them available and accessible at a stable price (Dibb, 1991, 93).

# 3.1.5 The Expected Problems of the Mind Status

Organizations seek to achieve their profit goals by building a distinctive mind status; however, they may face several problems due to not meeting the targeted status. These organizations face many problems if they fail to achieve a targeted status. They include:

#### 3.1.5.1 Non Reliable Status

The non-reliable status in certain organizations' products is represented in the failure of these products to carry the same mark in meeting the customer needs, or due to data or sensible influences that face the customer and lead to being non-reliable, such as when the information from friends or family or medical reports that support the failure of these products and not because of quality reports. Thus, any additional improvement in the performance of an organization's products and their quality will make it difficult to achieve the required or targeted status because of the immovability of the non-liability idea or the failure to meet customer demands about the organization brand. Customers may find difficulty being confident that these products will meet any special demands and needs with the features of these products that are non-reliable in what the organization introduces (Kotler, 2000, 300).

### 3.1.5.2 Inconstancy Status in the Customer's Mind

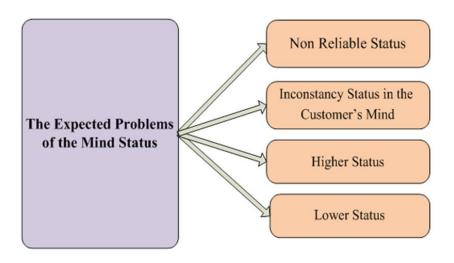
Continuous change of product features, specifications and changes in the activities and performance of organizations may lead to confusion in the customer mind and his recognition of the brand or products provided by the organization. Therefore, the organization should make changes according to any change in the business environment, such as the competitors, regulations and economic factors. Moreover, any changes that occur to an organization's customer, in addition to the repetition of changes to product specifications, lead to inconsistency of these organizations in the mind of customers. Thus, organizations should avoid constant change whenever possible (Kotler, 2000, 301).

# 3.1.5.3 Higher Status

Here, an organization can deceive customers and achieve a distinct mind status that its products do not deserve. Furthermore, customers may discover the real status of products when they are used. The customer faces information and influences that do not represent the reality of the products, but this status is reflected when targeted customers use these products (Gajo, 2005, 28).

### 3.1.5.4 Lower Status

Many organizations suffer from the weakness of their status in the mind of customers due to unavailability of adequate information about the mark and its quality which lead into weakness in its status although there are several distinct point in these products or the mark. The organization fails in introducing the product and its features to the customer, so the customer and seller consider it as any other mark that enters the market and doesn't carry any specific features (Gajo, 2005, 27). Figure 2 below briefly explains the problems of mind status.



**Figure 2:** The Expected Problems of the Mind Status

# 3.2 Strategies and Fundamentals of Mind Status

# 3.2.1 Strategies that must be followed to achieve a Distinct Mind Status

The actual position of local and global markets which witnesses severe competition between international organizations requires the adoption of the strategy of mind status in customers in order to achieve the maximum possible market share in comparison with competitors. In order to achieve this goal, an organization should provide unique distinct points about competitors to convince their customers to own the product and build a unique mind status.

Every marketing strategy must be built on division, targeting and mind status. Division is meant to know the various needs and groups in the market in a good way. Targeting means the organization's ability to satisfy specific needs in the market at a high level, so mind status is recognized in the targeted market of what distinct products and services the organization provides that reflect the organization's image (Kotler, 2003, 308). In this regard, all products and services may be differentiated to some degree. However, not all differences in brand are influential or deserving of attention. Therefore, the distinction must be proven to the degree that achieves the following standards:

- 1. Important: differentiation leads to great benefits for an adequate number of customers.
- 2. Distinct: achieves the difference in a distinct way.
- 3. Excellent: the differentiation is superior to other methods to gain benefits.
- 4. Unique: the differences cannot be copied easily by competitors.
- 5. Capable: the customer has the ability to pay the difference in price.
- 6. Profit: the organization gains profits by providing the difference in price. (Kotler, 2003, 298)

Every organization should develop a mind status for the products that it provides to the market. Mind status is the activity that is concerned with designing an offer and an organization's image in such manner that it occupies a distinct position in the targeted market. Therefore, the final outcome of mind status is the successful innovation to the idea of value based on reason. This is why the targeted market should buy the product or service from the organization. Table (7) shows three organizations that determined their ideas about value which gives their customers the perceived value, prices and benefits.

**Table 7:** Organizations that Provide their Customers Advantage, Price and Value

	Organization and products	Targeted customers	Advantage	price	Perceived value
1	Perdue (chicken)	Quality- the perceiving of customer with the product	Advancing in offers	Less than 10%	More offers and less price and continual addition in the product
2	VOLVO (station wagon)	Safety and feeling, big size for families	Robust and safety	Less than 20%	Safety and robust and size for families
3	Domino's pizza	Feeling to introduce the best	Fast delivery and better quality	Less than 15%	Hot product and delivery next door during 30 minutes on demand and suitable price

Source: (Kotler, 2000, 298)

Furthermore, Lancaster (1998, 40) and Michlhsu (2003, 2) added four strategy options for the target strategy:

- I. Marketing not distinctive: meaning there is one marketing mix for each potential customer in the market;
- II. Marketing of distinction: meaning there is a marketing mix for every different part of the market.
- III. Marketing of center: meaning there is one marketing mix in one different part of the overall market.
- IV. Marketing to meet the customer's demand: endeavoring to meet the requirements of each individual customer separately in the marketing mix.

The products, be they items or services, should provide an opportunity to develop mind status. The figure (3) below briefly explains the strategy of mind status.

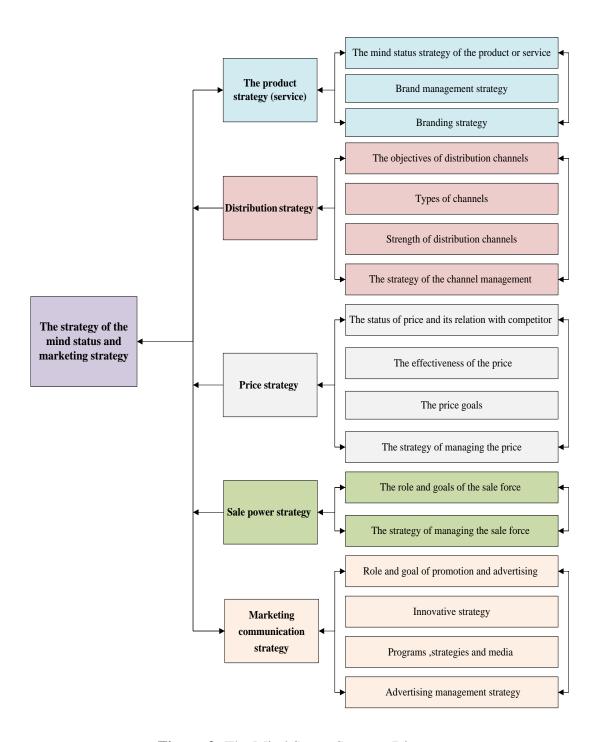


Figure 3: The Mind Status Strategy Diagram

Source: David Cravens, Strategic Marketing, 6th ed., the McGraw-Hall Co. Inc.,

2000: 195

### 3.2.2 The Basics of the Mind Status Strategy

An organization that seeks to achieve a distinct mind status for their products should follow certain strategies to achieve their goals, and this strategy involves a set of elements that intertwine with each other to form a strategy. These include:

# **3.2.2.1 Competition in Producing Items**

Customers head to available competitors' products after any failure of an organization's product to meet the needs and demands of customers. Every product has an alternative product that is replaced by customers. In other words, an organization should know their competitors and recognize their differentiated points. The strongest competitor is the one who gains the larger share in the market. Reorganization endeavors to provide everything that is different from other competitors and which suits the demands of customers. Additionally, competition is the motive toward success and excellence; therefore, an organization endeavors to compete with pioneer organizations in the market by determining the strengths and weaknesses of those competitors and by taking these points and benefit from them and putting them into the targeted strategy of mind status (www.Journalism.unl.edu, 16).

#### 3.2.2.2 The Target Market

The status of products depends on focusing the marketing efforts on stability and analyzing the minds of customers regarding the product in order to recognize the required levels so as to achieve saturation of different wishes, tastes and needs. This is not achieved without knowledge of the purchasing standards of customers (Shora, 1999, 7). Understanding target marketing features, such as attitude, life style, psychological needs and motives, is the starting point to form the excellence mind status. This can be done after choosing the most important features related to purchase behaviors. It is preferable to depend on similarity of wishes and needs when dividing the market instead of a demographic feature.

The aim of dividing the market and selecting the marketing target is to focus an organization's efforts to serve certain groups of customers in order to achieve the targeted status. The act of dividing the market, processing and choosing the marketing target participate in providing unique distinct points comparing with competitors in specific sectors in the market and to form positive attitudes and perspectives toward the products (www.Journalism. unl.edu, 15). In addition, determining the marketing target is the starting point in building mind status, and by studying and analyzing the potentials, features and demands of the targeted sector, the market mix that is most appropriate for the organization and customers' demands can be determined (Abboudi, 2005, 84).

### 3.2.2.3 Quality/Price

The image of service and products is fixed on the basis of a certain level of quality and price by providing the best value for money. It is known that high quality should accompany high price as in the case of high quality shops which reflect high prices (Keegan, 1995, 307).

### 3.2.2.4 Achieving Constant Excellence

Excellence is a particular advantage and differs from competitors which is provided to consumers. Defining points of excellence relates directly to the features and specifications of alternatives from one hand and the customer's needs and demands on the other hand. Additionally, the importance of excellence appears when there are similarities between alternative competing products; therefore, excellence is required from an organization in the modern business environment due to strong competition between organizations. Points of excellence may be presented by formative, emotional or physical features (www.Journalism. unl.edu, 15).

Building mind status requires the availability of distinct advertising campaigns and provision of covers which are appropriate to the needs of customers and which are distinct from the competitors. Therefore, excellence points take on many forms regarding physical features of the product, such as quality (which is related to the form), design or packaging of the product. However, excellence points are

differentiated or contrasted, and the goal of these points remains constant, which is to attract the attention of customers toward the product or brand (Taylor, 2000, 1).

# 3.2.2.5 Internal Resources of the Organization

The internal resources of an organization include all elements and systems owned by an organization, and indicate elements of the organization's available resources, which include financial and human resources and physical resources (raw materials, instruments, and apparatus) in addition to its technical and administrative experience in the field of marketing.

Systems represent the administrative and policy units that the organization adopts in using its available resources, especially if these resources are of high economic value when determining the manner in which these resources will be used.

In general, the available resources of an organization and its systems are very important in planning and developing marketing strategies as these factors will determine the organization's potentials in addition to its strengths or weaknesses when facing threats and opportunities. This determines its competitive position in the market. For example, a higher cash flow in an organization enables it to adopt a policy of delay-selling, whereas low equity which gives an organization a distinct competitive edge in markets of high priced products.

The same situation occurs for organizations with large reserves of raw materials, such as when an organization has resources to prepare raw materials. This prevents it from depending on external contractors to prepare these materials, thereby supplying the market with the required products without changing quantity or quality (Ramiz, 1997, 137).

#### **3.2.2.6 Brand**

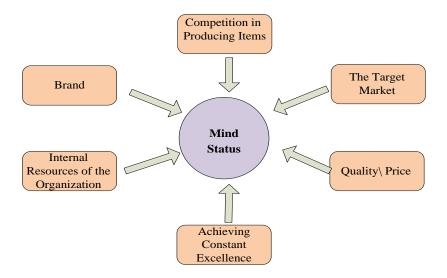
A successful brand is one of the prerequisites for an organization to improve its rate of attracting customers. The organization endeavors to build customer relations and provide high-level advantages by the brand. Additionally, the brand is considered to be the current value of the organization, and is measured by the organization administration (Knox, 2000, 171). The decisions about the brand or mark, especially

the name of the mark, are the most important decisions as they provide an organization's services and products huge competitive advantages, which encourage repeating the purchase process. When selecting the brand, the following questions should be taken into consideration (Obeidat, 2000, 145):

- 1. Does the name or the brand provide the advantages that the products or services provide for targeted customers?
- 2. To which degree does the brand name relate to a set of products or services?
- 3. To which extent does the brand name differentiate itself from the competitive trademark?

Building a successful brand helps the organization to gain profits and long-term stability by adding value that attracts customers to purchase. Additionally, a successful brand provides the organization with a different and strong base to improve products or services. Furthermore, it protects the organization from the increased power of mediators. The characteristics of a successful brand include:

- Uniqueness: It is largely well-known by members of the targeted market;
- Distinction: They are more attractive than other competitors' marks in the market;
- Remarkable value: It adds value to the organization, whether sold or gained;
- Constant: Constant investment to avoid the deficiencies which face successful items. (Meldrum & McDonald, 2000, 162-163). Moreover, the figure (4) shows Basics of the Mind Status Strategy.



**Figure 4:** The Basics of the Mind Status Strategy

#### 3.2.3 Mind Status and Re-Mind Status

The status of a product or service refers to the decisions and activities that seek to create and enhance certain concepts about organizations in the minds of customers. When marketers attempt to introduce products or services, they endeavor to ingrain it in a form that appears as if it has the features which the targeted market wishes.

It can be said that the mind status of products or services is the result of customer perception of its features when comparing it with those of competitors. Customers make a number of purchase decisions on an organized basis in order to avoid the continuity of reevaluating several products and services. They tend to limit or narrow the status of products and services in their minds so as to ease the decisions of purchase. Instead of allowing customers to determine the mind status of an organization's products and services independently, marketers attempt to influence the perceptions of customers regarding services and products through advertising. Moreover, the market always tries to analyze the mind status of services or products by preparing perceptive maps by surveying a sample of customers for their opinions about the services, products, brand and organizations regarding one or two dimensions.

The mind status of a product or service is part of a long path that begins with dividing the market thereby allowing an organization to target part of the whole market, by type or by a certain brand. On the other hand, the effective mind status of a service or product helps to service certain market sectors by preparing a suitable concept in the minds of customers in that part of the market (Pride & Ferrell, 2000, 283-286).

An organization can provide excellent value by following one of the status strategies that adds value or reduces costs to an organization's ability to compete and gain status more effectively. There are many reasons that give the service or product of the organization a poor mind status:

- 1. The part that is targeted by the service or product may become unattractive because it is very small or deteriorated or has strong competition.
- 2. The mind status may be inadequate due to the kind of features that the product or service offers, and is not liked by the targeted part of the market.

3. There may be an error because the costs of products or services are high, in a way that cannot be priced to be able to compete.

Figure (5) shows a typical market structure composed of four components. Products (x) has a poor mind status because it is expensive for most markets and is characterized by poor quality and fails to satisfy the other part of the market.

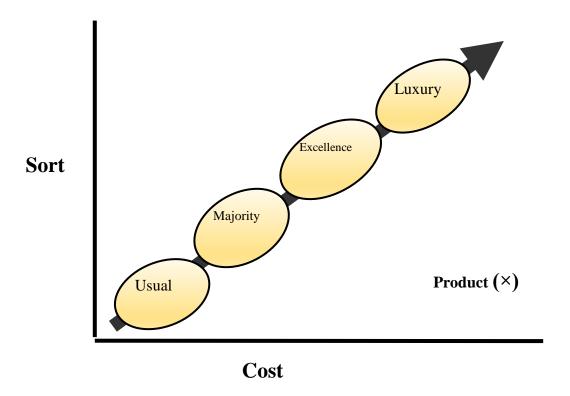


Figure 5: The Retuning the Mind Status in the Retail Market

Source: Peter Doyle, Marketing Management Strategy, 5th ed., Prentice-Hall International (UK) Limited, 1994, P: 80.

With regard to retuning the mind status, Pride (2000) said there are a number of steps that must be taken to return the mind status.

### 3.2.3.1 Changing Thoughts related to Category

As long as an organization can succeed in the field of maintaining mind status and move from the market of the majority (widest part or most of the market) to the excellent part, an organization can justify its high prices.

# 3.2.3.2 Changing the Current Category

An organization can change its mix of benefits and costs in order to make this mix more appropriate. For example, an organization reduces its prices in order to maintain the features that are provided to maintain a mind status in the wide market, i.e., the majority or popularity of the market.

### 3.2.3.3 Providing or Introducing a New Category

When an organization is subjected to deterioration of the prices of its products or services which threaten the organization to be ejected from the market with a mind status, the organization can introduce a new and cheaper category to "have a foot" in prospering markets or in ordinary markets.

### 3.2.3.4 Change the Beliefs in the Competitive Categories

When an organization can show the profits and advantages of its services and products in comparison to its competitors, they become more greatly perceived by customers than their competitors.

# 3.2.3.5 Change in the Levels of Important Characteristics

This step can be achieved by an organization by increasing the importance of one of its important features thereby enhancing its excellence value. For example, an auto producer can raise the importance of one feature (safety and security) as an important feature when choosing the car.

### 3.2.3.6 Finding a New Market Sector

An organization can diversify its production instead of entering into a strong competitive environment. For example, by moving from luxury items into the men's clothing market, an organization can find a distinct category to serve a new market.

# 3.2.3.7 Expanding the Production Line

Pride has added a strategy to return the mind status by expanding the production line that prepares for developing the product processes that are near to each other. It may include one product or more in the production line and is designed to meet any contrasted customer demands. The expansion may include producing new products at lower risk and cost. It is an attempt to increase sales within the same market sector by saturating the most specific of customer needs in that sector. This method is used to take market share from competitors.

# 3.2.3.8 Providing New or Disregarded Features

The success of an organization in adding a new or disregarded feature can add a new competitive feature to it. In the past, this feature was not important to customers. An example may be the introduction of a new cleaner to fight nasty smells not being taken into consideration in the past (Pride, 2000, 285-286).

# 3.3 The Relationship between Strength of Mind Status and Perception

# 3.3.1 Recognizing the Power of Mind Status

Effectiveness is the degree to which an organization achieves its defined goals. The measurement of effectiveness shows the degree of deviation from planned goals so that they can be avoided in the future (Row et al, 1994, 207). Additionally, Askari confirms that marketing effectiveness is the degree of achieving goals which can be measured through the relationship between planned and achieved outcomes (Askari, 2000, 19).

The importance of effectiveness is shown as a measurement of success and the progress of the organization and its ability to achieve its goals by performing any decided plans and policies. This should be carried out at minimal cost and within predefined times and it features as a result of the effectiveness of an organization. The effectiveness of an organization's performance is the outcome of the interaction of the components of the whole performance, including art, functional and administrative activities and the internal and external variables that affect it (Dulaimi & Salman, 2001, 240). The concept of effectiveness relates to the concept of competency as two indicators or two faces of the same coin, namely the degree to which an organization is achieving its goals (Dulaimi, 2002, 49).

The customer in the market represents the base on which an organization depends in developing and guiding its marketing efforts. An organization measures the effectiveness of its mind status by the range of responses of its targeted market to the selected main program by administering the strategy of mind status.

The process of analyzing mind status is related to what the organization offers in comparison with its competitors in the targeted market by the customer's evaluation of the organization and by analyzing the needs and preferences of purchasers. Mind status plays a role in helping customers by having them know the real differences between competitive products and services. Therefore, they choose the most valuable services and products. Moreover, it helps to differentiate the trade mark of the organization from its competitors.

Customers use brands according to specific features or measures about the product or service or shared values. Therefore, the aim of management should be to gain and support a distinct mind status that matches customer preferences (Cravens, 2000, 197). Farther more, there are many available methods to analyze the effectiveness of mind status.

#### 3.3.1.1 Testing the Market

Testing the market generates information about facilitating the trade of new production or strategies of mind status for new services and products. The method of customer search is somehow considered to be a test regarding the possibility of making changes in marketing program components, such as the different amounts of

money for advertisements. Cravens adds the decision to test the market depends on several factors:

- 1. The amount of risk-taking and investments. When both are low, production without marketing tests is appropriate in case there is a certain opportunity.
- 2. The magnitude of the differentiation between industrial investment demand of the test and the introduction of new items or services in the global market. The market test differentiation is better at the international level.
- 3. That which is the most favorable and the speediest in responding competitively to the offered production.
- 4. The costs and risks in marketing with the volume of new products and services that are offered in the markets; when prices are lower, the market test is expensive.

The market test includes the risks of competition, predictions about the demand, and alternatives of the strategic information of the marketing programs, reduction of losses resulting from the best expected plan on the demand and overcoming problems. The market test provides organizations with a delicate picture of the local, regional and global market.

One form of marketing test is to test a customer's reaction to new products and services and to develop a mind status strategy.

Other tests include the motivated marketing tests for individuals, which creates a concept about new products before introducing them to traditional commerce. In addition to the individual offer tests, there are other marketing programs components, such as the style of products and their sizes. It is possible that retail shops would want a marketing laboratory to measure the concepts of a new production before introducing it (Cravens, 2000, 198).

# 3.3.1.2 Searches of Customers and Competitors

Search studies provide organizations with information about customers and competitors to design strategies for mind status. There are several research methods that help to define the mind status among them, such as conception maps of customer preferences about an organization's products and services or the status of the brand,

which participate in formulating the strategy of a marketing program by comparing a brand with competitive brands and customer preferences.

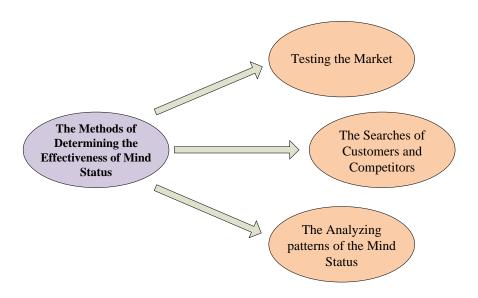
There are several factors that influence the customer's responsiveness, especially for new products and services:

- Motivate and train the marketer;
- Provide supervisors with continual information about the product or service;
- Provide the leader plentiful information about the wishes of customers for products and services (Cravens, 2000, 198).

# **3.3.1.3** Analyses of Patterns of Mind Status

Management uses information of customers and customer expectation. Therefore, it analyses and develops an adopted strategy based on this information. In order to analyze the mind status of an organization, management needs to gather data from the market, which includes inputs of the basic patterns that are used to analyze a decision. For example, the marketing mix budget model for developing products is based on the budget market and the marketing budget is determined. Additionally, there are several patterns that contain a number of expectations, such as numbers of users, a focus on purchasers, sales against demands, differentiation, direct selling, life cycle, complex production plans, focusing on marketing budget and its components rather than introducing integrated strategies for the work unit.

To measure the effectiveness of the programs of an organization's marketing strategy, a quality standard is used such as the market share, profit, growth rate, customer satisfaction and competitive feature outputs. Furthermore, effectiveness guides the organization to use a marketing program as a special standard, such as market share and profitability toward competitive feature and greater strength. Finally, it develops a strategy for mind status that cannot be imitated (Cravens, 2000, 198). Figure 6 Available Methods to Analyze the Effectiveness of Mind Status



**Figure 6:** Determining the Effectiveness of the Mind Status

Source: Cravens, strategic marketing, 6th ed., McGraw-Hall Co., 2000, p. 197

# 3.3.2 Perception and Mind Status

Perception is considered to be the basis of any reaction of a human being. Therefore, organizations target the perception of customers through designing products, advertising messages, after-sale services and the distinguished performance of other activities of the organization in order to formulate a positive picture; thus, there is a positive reaction of the customer toward the organization's products compared with their competitors' products.

# 3.3.2.1 The Perception Concept

In general, sensual perception is the ability of an individual to manage information sourced through the five senses and activating the information to foster reactions in the human being (Kaolee, 1994, 199).

Perception is the most important of mental activities in the human being and is a result or a suitable reaction toward the external environment. Therefore, an organization may strive to build a positive perception in the customer about every point of the organization and its products. Therefore, marketers define perception as "The process that forms mental impressions as a result of certain influences within

the customer knowledge" (Saeed, 1996, 52). Perception may also be defined as the process that the individual carries out in choosing, organizing and interpreting his informational inputs to determine the total picture of his surroundings (Kotler, 1997, 185). It is also a mental process by which the human being knows his surroundings by stimulating motives of this world and his being influenced by these sensual stimulations (Jamal, 1995, 12).

Perception is considered to be the special meaning of every effect and motive (Lancaster & Roynolds, 1998, 52 or it is the process in which the individual chooses, organizes and interprets information to create an advantageous picture of the world (Kevin, 1997, 159).

Perception is the basis of determining reactions (positive, negative or neutral). Therefore, a reaction may be dynamic or intellectual. Every attitude or reaction of the individual is the result of his perception of an effect or a set of effects from the surrounding environment. Perception is said to be mental activity that leads the human behavior according to a certain motive or a set of motives that face the individual in the surrounding environment. It is mentioned also that "the value that is related to received information about the product from sellers, friends, advertisements and the reports specified by the international a quality agencies" (Darymple & Parsons, 2000, 94). Furthermore, perception is also considered to be an activity to process information according to the principle of selective attention and perception arrangement (Saintanne, 1993, 12).

Many products contain many physical features for a variety of purchases and for the nature of purchasers. For example, a car is not only a car for the customer and every customer has a point of view about the car, such as businessmen considering it to be a luxury, the ordinary man considering it to be a source of income and others considering it to be merely a means of transport. There are many customer views regarding the differences in the performance of the car. The car is viewed as a set of subjective and objective features, such as color, size, capacity, and ease of maintenance, price and simplicity of use, in addition to a set of psychological influences on the customer, such as feelings of pride, luxury, fame and power. The difficult task for marketers is to assess a number of objective features in the product and to assess what kind of feature and how to gather these features to acquire distinct points so that they influence customer perception (Rosa et al, 1998, 1).

When individuals perceive a certain attitude, they behave in a certain manner according to their perceived attitude, that is, we first perceive, then behavior follows; however, without perception, there is no behavior, and this behavior matches the subject we perceive. (Mahmood & Shalash, 2000, 194). Every human has his own needs and many people may have similar general needs. However, in the private sphere, they are rarely similar. In general, there are many similarities between features, specifications and needs for a group of clients. An organization may endeavor to target them through its marketing programs and gain a distinct mind status by meeting the demands and needs of the targeted market.

The process of controlling customer perception is achieved according to the amount of received information and the meaning of this information as to whether it impacts the perception standards of the customer. Purchasing standards may be similar and the attention is on the power that faces the customer perception of the factors and influences found in the product offered to the customer (Darymple & Parsons, 2000, 94).

Managing and leading customers toward certain goals is the path to a distinct mind status, and by relatively controlling how customers think and by focusing on attracting their attention toward the distinct points in the product that help to build a distinct mind status about competitors. This does not occur without unifying the organization's efforts and strategies specifically to meet the needs and demands of targeted customers.

Customer perception may not be achieved completely, and some markets may fail to reach the important features from the view point of customers. The perception of the customer is a result of changes in the surrounding environment according to the relative importance of each change for every client. Moreover, there are statistical techniques that help to determine the relative importance of these factors (Hirsh et al, 2000, 1). An organization may fail to clarify and have the customer recognize the unique features and differentiation points in a product as these points play a significant role in customer perception and in making purchase decisions, which is considered to be the most important sensate motives.

In the market, the marketer should perform much to attract the attention of the highest possible number of customers using several methods, such as offers, advertising or any other method.

Perception may be influenced by any a distinct part of the product according to the needs and demands of the targeted customer. However, perception basically depends on how to attract the attention of a customer toward the distinct and available points in an organization's products (Bakri, 108, 2002).

## 3.3.2.1.1 Relationship between Product Development and Consumer Perception

Companies, in developing products, are expected to exhibit a high level of creativity and innovativeness which is consistent with their customer perception of both their products and company image. A customer's perception of a company and its products will influence his/her purchasing behavior. Perception may be defined as the process by which an individual selects, organizes and interprets stimuli into a meaningful and coherent picture of the world. More so, it can be described as how we see the world around us. Individuals act and react on the bases of their perception and not on the basis of objective reality. Thus, to the marketer, a consumer's perceptions are more important than their knowledge of objective reality. Furthermore, since individuals make decisions and take action based on what they perceive to be real, it is imperative that marketers understand the whole notion of perception and its related concept to more readily determine what factors influence consumers to buy (Alves et al, 2005).

#### 3.3.2.1.2 Stages that must be followed to Realizing a Perception

Perception is the process of interpreting the external events and building a reaction according to the interpretation of the event. The human being does not perceive certain influences without a need or particular reason, so the organization should depend on such reasons in building perceptions and mind status. There are several steps for the individual to achieve perception; these stages include:

#### A. Search

The process of perception begins with the individual feeling or sensing surrounding stimulation, such as light, heat or sound. The senses include hearing, sight, touch, taste, and smell. These stimulations or motives are transferred to the customer by means of advertisements, newspapers and televisions stations to the neural centers in the human mind. Moreover, from the physical point of view, the organization will increase the opportunities of the customer such that he can discover any distinct points, which becomes a motive or motivation for the design of packaging, the style of display and designing the product itself with its features. The method of free samples is the best method to demonstrate to the customer the features and specifications of products. For example, free cans of a new beverage are introduced to customers to showcase the features of that unique product, such as the special flavor or high quality thereby showing the customer the distinct features of the product (Nazam, 2003, 154).

## **B.** Interpretation

Sense and feelings are transformed into certain meanings through choosing and organizing information and interpreting it according to previous experiences of the individual and the information stored in his memory. It may reformulate what is received, and then see it as something different.

To achieve the required goals, it must attract the attention of individuals followed by the individual interpreting this motive according to a set of standards and factors that control the interpretation process. It includes motives, needs, experience, psychological state, mood and expectations and may include the values and traditions of the individual (Nazam, 2003, 152).

The difficult task for the organization is in providing motives that represent the points of differentiation or distinct advertising, distinct services or a distinct packaging all of which attract the attention of the customer and match with his needs and demands. The customer faces a number of motives that carry similar messages and compete with other organizations to provide distinct stimulations. The customer should choose one of the competitive influences from the principle of selection of the customer to accept the motive (Gajo, 2005, 51).

## 3.3.2.1.3 There are Factors that Affect Perception

Perception is the most mental of activities that are influenced by external and internal factors. There is a clear overlap in the influence of these factors on the stages of the perception process. The influence of these factors appears in the perception process and the behavior and attitude of the customer. Finally, researchers agree on determining these factors which involve two categories:

# **A** Set of Factors Relating to the Stimulant

The stimulant specification helps in the ability of a customer to perceive the influence, and every feature of the influence has a specific effect and differs from one client to another according to the needs, demands and features of the customer.

These factors are the features and specifications of the subject to be perceived whether they are as a result of the same subject or the fact that he gained it due to his existence in a certain field that granted him these features and specifications (Mahmood & Shalash, 2000, 203). For example, an advertisement consists of an image, and the background of this image is the subject that is to be perceived. However, the background is the component of the other advertisement, such as advertisement personalities and the colors used (Obeidat, 2000, 162).

There are clients who perceive the motive due to the need for that motive, and other clients perceive the motive due to the background used in the advertisement, such as when it is an image of a beautiful girl, attractive colors or celebrities. The image may take the form of a specific item, brand, certain person or a certain idea.

The motion, voice, time of broadcasting and the colors used are classified as features which help to push the customer to perceive the motive or the advertisement (Dewachi, 2000, 58). There are further factors in this category:

#### Size

When a person sees an advertisement in a newspaper, this advertisement is usually small and the information is written in small letters. If the advertisement is in a larger space, the perception of the individual differs and the information is written in large

letters (Omer et al, 1994, 92). Also, the distinct size of covers helps to increase the probability of customer attention toward the product because when the customer looks at shelves in the markets, he generally pays attention to large distinct covers. The individual does not perceive small elements such as an image; therefore, a large background is needed to perceive it. The large elements, however, are perceived as backgrounds (Mahmood & Shalash, 2000, 203).

## • Motion

The dynamic of motive attracts the attention of the customer and the speed of motion leads the customer to perceive the motive quickly. The remarkable change in speed helps to facilitate the motive perception (Aldamd, 2000, 114-120).

#### • Differentiation

Marketers strive to provide distinctive motives or stimulations that differ from others according to the principle of distinction in order to attract a customer. Differentiation takes several forms such as using large spaces in printed advertisements for certain brands in the absence of a voice, or offering different forms and designs from the competitors (Obeidat, 2002, 157). A cover that is distinct in color and design is an important means to attract the attention of customers and to achieve perception. Differentiation is an effective method in the current competition and it is considered to be one of the more effective means to attract the attention of customers and to build a distinct mind status for targeted clients (www.wolterkluwer.com, 2000, 1).

#### \* The Set of Factors Related to the Individual

The set of features that the individual or customer carries is affected by attracting the attention of the external effect. These features help to determine customer perception of these external stimulations provided by organizations. These features which are related to each individual are the cause of individual differences. This set includes the following factors:

#### Motives

Motives can be defined as the internal power of an individual that guides their behavior in a certain way to achieve certain goals (Omer et al, 1992, 89). The customer is affected by his various motives and needs, thus he endeavors to satiate these motives and needs with goods and services. Psychologists study the behavior of customers in order to recognize the actual motives of the customer (Moala, 2003, 65). Frequently, customers tend to perceive items that they need or wish, that is, they are concerned with the motives related to their needs and wishes, and they ignore unrelated motives to these needs in the surrounding environment (Obeidat, 2000, 59). Motives determine the products that the customer will buy. Recognizing this motive, an organization can guide the attention of a customer to the stimulations to match the motives and needs of the customer (Omer et al, 1992, 90).

#### • Attitudes

Attitudes play an important role in capturing and attracting the stimulants emitted from the surrounding subjects. Every individual has trends and attitudes that determine his interest and perception (Mahmood & Shalash, 2000, 201). Attitudes are "a positive or negative feeling toward a certain goal." These attitudes may be positive, negative or neutral toward different phenomenon and things in daily life. Attitudes may be based on actual beliefs or other sources.

In other words, the individual depends on beliefs and values that may be related to him in building a certain attitude. Furthermore, the customer perceives the stimulant that matches his trends, attitudes with the trends of the customer being that which determines the trademark that the customer will perceive. Finally, a trend is the judgment of the person on a certain topic or idea. A human being may gain his attitudes toward a certain topic based on the performance and attitudes of friends or family. Individual attitudes differ according to values, beliefs, culture and personal experience (Dewachi, 2000, 59).

## • Experience

Experience helps to accelerate the perception of a stimulant since the customer generally perceives that stimulant as a previous experience with these stimulants. This provides the customer with the required information to build attitudes about certain topics or effects, such as when the customer knows about any changes on the item cover or any new distinct points that the organization easily offers due to the availability of information about the product before development.

Here, previous experience helps to accelerate and facilitate the process of perception. The result of the previous experience affects the results of the perception process represented by attitudes or behavior, such as the failure of certain stimulants in meeting certain needs and motives. As a result, the customer will predetermine his attitude toward this stimulant even when facing it. In other words, the customer may build his attitudes toward certain stimulants depending on previous experience and experience of this stimulant (Aldamd, 2000, 114-120).

## • Memory and Mind Status

Industrial organizations endeavor to achieve a distinct mind status that the customer adopts when making decisions about repetitive purchases. The importance of the distinct mind status appears when repeating the purchase process, with the mind status being the basic determinant of the trade mark which the customer will select when purchasing.

Organizations strive to influence where to find the brand in the customer memory compared with other brands. Human beings often remember new concepts when comparing them with current concepts. Moreover, a customer cannot remember all received information from the surrounding environment; however, he remembers the information that is meaningful and that which concerns the client (www.Udadton.com, 1).

Reorganizing the memory is carried out by what new concepts a person learns and receives since the memory system is a learning system; that is, the memory system can be taught, and marketers endeavor to influence the memory structure of the customer. An effective mind status can change the memory structure of the customer

in a manner that benefits the organization. By enhancing this structure continually by fostering the mind status, the organization endeavors to teach the customer how to think about the organization's products. In addition, customers usually use memory to make the decision to purchase certain products depending on the information resulting from the consumption or use of the product in the past. Organizations in general, and the industrial ones specifically, fail to achieve the targeted mind status without access to the customer memory through the strategies of building the mind status and fostering it.

Psychologists and researchers concerned with customer behavior believe that the intelligent customer makes a list of features and marks that are found in one product, implying that they have several alternatives, thus it is difficult for the organization to achieve the targeted status without striving to be distinct from its competitors. The customer generally buys products as a solution to a problem. Nevertheless, there are problems, in other words, there are no products that meet the customers' demands completely. The customer uses the principle of comparison to select the best alternative. There are two basic sources for customer alternatives.

- 1. From memory: what is stored in the customer memory; this is generally a form of mind status;
- From the surrounding environment: the range of the customer recognition of the offers or the product of the organization that it provides to the client by comparing it with what new offers it provides with the available information in the memory.

Comparison is the basis for selecting the best alternative according to a set of standards. In order to gain the targeted mind status, the organization should meet the standards of the customer through the features and specifications of the product and marketing mix. In order to maintain and enhance the achieved status, the organization should observe the changes in these standards for customers and endeavor to achieve them better than any competitors. The customer using information from memory is a form of saving the required time and effort to gather data about the product in order to make the decision to purchase (Gajo, 2005, 55).

#### **CHAPTER 4**

## APPLICATION OF THE RESEARCH

# **4.1 Research Questions**

The development of the product has a strong role and a significant impact on the organizations for its survival and continuity. It is through what the products offer for companies to strengthen customer loyalty to its products. The research question will focus mainly on the role and importance of product development that will enable the company to survive, continue and even increase its market share and profits in the long term. In addition, the study will present a group of questions and attempt to answer them throughout practical portions of the study. These questions are shown below.

- Q1: Does product diversity have an effect on the building of, and the strength of, the mind status of customers?
- Q2: What are the dimensions and standards that determine to focus on them when building a reputation of a product in the mind of the customer?
- Q3: How does the performance of the developed product attract the mind status of the customer?
- Q4: How will the customer realize the level of qualitative development of the product compared with competitors' products?
- Q5: Does the increased price of a developed product influence the product's status in the customer's mind?

# 4.1.1 Hypotheses and Model of the Study

Literature review as well as author's intuition suggests the following hypothesis for the research questions that have been raised:

H1: superiority, customer satisfaction, speed, simplicity and inspection and testing as independent variables, affect the mobiles diversity significantly.

H2: superiority, customer satisfaction, speed, simplicity and inspection and testing as independent variables, affect mobile reputation significantly.

H3: superiority, customer satisfaction, speed, simplicity and inspection and testing as independent variables affect the mobile performance significantly.

H4: superiority, customer satisfaction, speed, simplicity and inspection and testing as independent variables affect the competitive position of mobile significantly.

H5: superiority, customer satisfaction, speed, simplicity and inspection and testing as independent variables affect the mobile price significantly.

# • Superiority • Superiority • Customer satisfaction • Speed • Simplicity • Inspection and Testing Dimensions of Mind Statse(DV) Mobil's Diversity Mobile Reputation Competition

**Figure 7:** Model of the Study

## 4.2 Methodology

In an attempt to answer the problem on the one hand, and to achieve the goals envisaged on the other hand, the study used a descriptive approach with respect to the theoretical side. The study endeavored to display all aspects of the theoretical side expansively and deeply. Therefore, the study relied upon set books, theses and articles that related to the theoretical side for all variables of the thesis. Then the articles were discussed in detail and compounded with our title one by one. Furthermore, I analyzed and criticized the situation. Finally, the study arrived at the original conclusion.

#### 4.2.1 Variable Measurements

## 4.2.1.1 Dependent Variables

Mind status measures are the dependent variables of this study. These variables are:

- *Product diversity:* Evans says that diversity is the company's ability to provide a wide range of products and options. Therefore, companies can change the lines of its products constantly and quickly to compare with the consumer's changeable demands. These companies can able to invest in new technology and gain competitive benefits in certain markets. Moreover, the leading companies do not wait for consumers to change desires; they use innovation and creativity for the purpose of creating new needs and desires (Evans, 1997).
- *Product reputation:* Reputation is an environment in which people buy products, take jobs or make investments based predominantly on their trust, admiration and appreciation for the companies and institutions that stand behind them. (www.reputationinstitute.com).
- *Product performance*: Index performance is important to realize consumer satisfaction in a product. Moreover, performance is a measure of the operational characteristics of a product. In addition, these features are usually classified according to its competitive features (Oskarsson, 1993).

- *Competition:* The strong and weak points of competitors are affected by consumers' perception and satisfaction. They also help to provide opportunities to gain a competitive advantage.
- *Product price:* The price is judged by consumers in accordance with quality of service and current product development. This helps to create satisfaction or dissatisfaction (Oliver, 1999).

# 4.2.1.2 Main Independent Variables

In this study, there are five independent variables that have already been explained in detail in part two of this study. These variables are superiority, customer satisfaction, speed, simplicity and inspection and testing.

## 4.2.2 Population and Sampling

The total population of students at universities in Ankara is very large. Therefore, the non-probability sampling method was used to select the sample size. The sample was selected according to the Eq. (4.1).

$$n = \frac{Z^2 (PQ)}{E^2} \tag{4.1}$$

Where Z value (1.65)<sup>2</sup> P is accepted as 30%, Q as 70% and the term of E as 0.025. In this case, the sample size will be 336 students. 36 students did not answer the questionnaires totally. Thus the questionnaires were redacted from the sample size. The size of the sample became 300 students (Nakip, 2014, 306).

To collect enough data to test hypotheses, a survey was conducted to collect data from selected sample by using judgment non-probability sampling. In total, 336 questionnaires were distributed randomly to user iPhone mobile in Turkey Universities in Ankara such as (Cankaya, Middle East Technical, Bilkent and University of Turkish Aeronautical Association). Equal numbers of customers were asked to fill the questionnaire for each chosen University. Subjects were asked to assess their perceptions of various items representing superiority, satisfaction

customer, speed, inspection and testing (Experience), simplicity and mind status. Assessments were based on a five-point Likert scale ranging from "strongly disagree (1) to "strongly agree (5) was used to measure the 29 items.

# **4.2.3** Multiple Regression Analysis

Regression analysis is a statistical tool that attempts to determine the strength of the relationships between variables. Multiple regressions use two or more independent variables to predict the outcome of the dependent variable. In multiple regressions, the separate variables are differentiated by using subscripted numbers, and this tool of analysis is carried out in order to estimate the effect of a number of explanatory variables on the dependent variable.

Multiple regression analysis was employed to test the impact of product development on the mind status of the customer. It is a useful technique that can be used to analyze the relationship between a single dependent and several independent variables (Hair et al., 1998).

In this study regression, correlation and determination analysis will be used reject and/or accept the hypotheses. In this manner:

**Firstly:** The impact of superiority, customer satisfaction, speed, simplicity and inspection and testing on the mobile diversity will be tested;

**Secondly:** The impact of superiority, customer satisfaction, speed, simplicity and inspection and testing on the mobile reputation will be tested;

**Thirdly:** The impact of superiority, customer satisfaction, speed, simplicity and inspection and testing on the mobile performance will be tested;

**Fourthly:** The impact of superiority, customer satisfaction, speed, simplicity and inspection and testing on the competitive position of mobile will be tested;

**Fifthly:** The impact of superiority, customer satisfaction, speed, simplicity and inspection and testing on the mobile price will be tested.

## 4.3 Analysis and Discussion

# **4.3.1 Descriptive Statistics**

This part deals with data analysis of the thesis. As mentioned already, the used methodology will determine the type of analysis that should be applied for certain gathered data.

Quantitative analysis was used to analyze the gathered data from spreading the designed surveys onto the selected samples, which was analyzed by using SPSS software for hypotheses testing (Radhakrishna, 2007).

The quantitative analysis has two sections. The first section analyses the sample characteristics analysis of the thesis and presents the frequencies of the variables and its percentages, means and standard deviations regarding the demographic variables. The second section is called the Variables' Analysis section and describes and analyses the predefined independent and dependent variables statistically, including multiple regression.

## 4.3.2 Sample Characteristics Analysis

Characteristics analysis of the sample was carried out by calculating the frequencies and percentages, means and standard deviations of the demographic variables.

#### 4.3.2.1 Gender

It is obvious from Table (8) that the number of males counted to (140) which was (46.7%) of the total sample population of (300). Females numbered (160) in the total study sample and were (53.3%) of the total sample population. The number of females slightly exceeded the number of males.

Table 8: Study Sample Distribution According to Gender

Variable	Frequency	Percent %
Male	140	46.7
Female	160	53.3
Total	300	100.0

# 4.3.2.2 Age

It is obvious from Table (9) that the participants' mean age is (23.38) years with a standard deviation (4.188).

**Table 9:** Study Sample Distribution According to Age in Years.

Variable	N	Minimum	Maximum	Mean	Std. Deviation
Age	300	18.00	39.00	23.38	4.18826

# 4.3.2.3 Educational Level

As it is shown in Table (10) that (92) participants have High certificate at a rate of (30.7%) of the total sample population of (300), while (208) from the total study sample have Bachelor degrees at a rate of (69.3%).

**Table 10:** Study Sample Distribution According to Educational Level.

variable	Frequency	Percent %	
High certificate	92	30.7	
Bachelor	208	69.3	
Total	300	100.0	

## 4.3.2.4 Model of Mobile

As seen in Table (11), (22) participants have 5c models at a rate of (7.3%) of the total sample population of (300), while (56) from the total study sample have 5 models at a rate of (69.3%) at the same rate as the participants who have 5s.

 Table 11: Study Sample Distribution According to Mobile Model

Variable/Model	Frequency	Percent %
4	42	14.0
4s	42	14.0
5	56	18.7
5c	22	7.3
5s	56	18.7
6	53	17.7
6+	29	9.7
Total	300	100.0

## 4.3.2.5 Number of Mobile

It is obvious from Table (12) that the number of participants who have more than one mobile counted to (134) at a rate of (44.7%) of the total sample population of (300). Participants who have one mobile were counted at (166) from the total study sample at a rate of (55.3%).

Table 12: Number of Mobile

Variable	Frequency	Percent %	
More than One	134	44.7	
Only One	166	55.3	
Total	300	100.0	

# **4.3.2.6** Change the Mobile

As shown in Table (13), (25) participants change their mobiles every three months at a rate of (8.3%) of the total sample population of (300), while (43) from the total study sample change every half year at a rate of (14.3%), (102) change yearly at a rate of (34%) and (102) from the sample change their mobiles after more than one year at a rate of (43.3%).

**Table 13:** Study Sample Distribution according to Change the Mobiles

Variable/Model	Frequency	Percent %
Every 3 months	25	8.3
Every half year	43	14.3
Yearly	102	34.0
More than 1 year	130	43.3
Total	300	100.0

#### 4.3.2.7 Mobile maintenance

It is obvious from Table (14) that the number of participants who need mobile maintenance periodically counted to (126) at a rate of (42%) of the total sample population of (300). Participants who needed little maintenance were counted at (174) of the total study sample at a rate of (58%).

Table 14: Study Sample Distribution According to Mobile Maintenance

Variable	Frequency	Percent %	
Periodically	126	42.0	
Time of need	174	58.0	
Total	300	100.0	

# 4.3.2.8 Preferred brand

It is obvious from Table (15) that the number of participants who like the iPhone brand when they have to change their mobile numbered (242) at a rate of (80.7%) of the total sample population of (300), while (58) participants liked other brands at a rate of (19.3%).

Table 15: Study Sample Distribution According to Prefer Brand

Variable	Frequency	Percent %
iPhone	242	80.7
Other	58	19.3
Total	300	100.0

## 4.4 Analysis of the Mean and Standard Deviation for the Study Variables

Mean and standard deviation were used to describe the attitudes of the sample toward the study questionnaire. The respondents were required to rate how important they considered each factor to be on the impact of product development and the mind status of the customer. Factors of importance were ordered according to the arithmetic mean.

**Table 16:** Mean and Standard Deviation to Measure Attitudes of the Sample toward Study Factors

Factor	Mean	Std. Deviation
Superiority	3.65	0.54173
Satisfaction customer	3.52	0.53723
Speed	3.52	0.60226
Inspection and testing (Experience)	3.81	1.07612
Simplicity	3.55	0.58116
Mobiles diversity significantly	3.79	1.24935
Mobile reputation significantly	3.34	1.32801
Mobile performance significantly	3.46	1.29113
Competitive position of mobile significantly	3.42	1.28937
Mobile price significantly	3.26	1.32599

In general, it was found that there are positive attitudes toward all factors because their means are greater than the mean of the study scale (3). Moreover, Table (16) shows that the highest mean is for "Inspection and testing (Experience)" at (3.81) with a (1.076) standard deviation. Therefore, I can consider this factor to be of highest importance for the participants, while the lowest importance was that for "mobile price significantly" with a (3.26) mean and a (1.325) standard deviation.

## 4.5 Analysis of the Effect of Independent Variables on the Dependent Variables

**4.5.1** The Impact of Superiority, Customer Satisfaction, Speed, Simplicity and Inspection and Testing as Independent Variables on the Diversity of Mobiles.

Multiple Regression analysis was conducted to measure the impact of superiority, customer satisfaction, speed, simplicity and inspection on the diversity of mobiles. The results indicate that the model as a whole is significant because the F Value (2.647) is significant at the level of (0.023). Moreover, it can be claimed that even the model is valid. However, the correlation between the independent variables and the dependent variable (20.9%) is slightly weak. Therefore, the determination coefficient (4.4%) is very small, thereby implying that all independent variables explain only (4.4%) of the variation in the dependent variable.

The result of the regression analysis has shown that only satisfaction, inspector and test have effects on product diversity. However, the effect of satisfaction is positive and stronger than test because its coefficient is positive and the level of significance (0.009) is less than (0.05). Because the sign of inspection is negative, it can be said that the greater the increase of inspection means the greater the decrease of product development.

**Table 17:** Correlation, Determination and Regression Coefficients of the Relation between Product Development Factors and Product Diversity

Mod	el R	R Square	Adjust	Adjusted R Square		ror of the imate
1	.209ª	.044		.027		3026
	Model	Sum of Squares	DF	Mean Square	F	Sig.
1	Regression	20.034	5	4.007	2.647	.023 <sup>b</sup>
	Residual	440.438	291	1.514		
	Total	460.471	296			
Model		Unstandardized Coefficients		Standardize Coefficient		Sig.
		В	Std. Error	Beta		
1	(Constant)	2.043	.749		2.727	.007
	Sup.	.121	.137	.053	.881	.379
	Sat.	.362	.138	.156	2.632	.009
	Speed.	.092	.122	.045	.755	.451
	Test.	131	.068	113	-1.919	.050
	Simplicity	.059	.130	.027	.453	.651

**4.5.2** The Impact of Superiority, Customer Satisfaction, Speed, Simplicity and Inspection and Testing as Independent Variables on the Reputation of Mobiles.

Multiple Regression analysis was conducted to measure the impact of superiority, customer satisfaction, speed, simplicity and inspection on the reputation of mobiles. The results indicate that model as a whole was not significant as the F value (0.846) is not significant at the level of (0.518). Moreover, it can be claimed that even the model is not valid and the correlation between the independent variables and the dependent variable (11.9%) is almost weak. Therefore, the determination coefficient (1.4%) has become very small, thereby implying that all independent variables explain only (1.4%) of the variation in the dependent variable.

The result of the regression analysis has shown that product reputation is not effected by any product development variables.

**Table 18:** Correlation, Determination and Regression Coefficients of the Relation between Product Development Factors and Product Reputation

Mode	el R	R Square	Adjus	Adjusted R Square		or of the mate
1	. 119a	. 014		. 003	1. 33	3138
	Model	Sum of Squares	DF	Mean Square	F	Sig.
1	Regression	7. 498	5	1. 500	. 846	. 518b
	Residual	517. 589	292	1. 773		
	Total	525. 087	297			
	Model	Unstandardized Coefficients		Standardized Coefficients	Т	Sig.
		В	Std. Error	Beta		
1	(Constant)	3. 002	. 810		3. 705	. 000
	Sup.	127	. 149	052	855	. 393
	Sat.	039	. 149	016	261	. 794
	Speed.	. 242	. 132	. 110	1.836	. 067
	Test.	. 038	. 074	. 030	. 509	. 611
	Simplicity.	015	. 140	006	105	. 916

**4.5.3** The Impact of Superiority, Customer Satisfaction, Speed, Simplicity and Inspection and Testing as Independent Variable on the Performance of Mobiles.

Multiple Regression analysis was conducted to measure the impact of superiority, customer satisfaction, speed, simplicity and inspection on the performance of the mobiles. The results indicate that the model as a whole is significant because the F value (2.67) is significant at the level of (0.022). Moreover, it can be claimed that even the model is valid but the correlation between the independent variables and the dependent variable (20.9%) is almost weak. Therefore, the determination coefficient (4.4%) has become very small, thereby implying that all independent variables explain only (4.4%) of the variation in the dependent variable.

The result of the regression analysis has shown that only speed has an effect on product performance. Speed has a positive effect and is stronger than other variables because its coefficient is positive and the level of significance (0.05) is equal to (0.05).

**Table 19:** Correlation, Determination and Regression Coefficients of the Relation between Product Development Factors and Product Performance

Mode	el R	R Square	Adjust	Adjusted R Square		Error of the Estimate
1	.209a	.044		.027		1.27411
	Model	Sum of Squares	Df	Mean Square	F Sig.	
1	Regression	21.727	5	4.345	2.677	.022b
	Residual	474.018	292	1.623		
	Total	495.745	297			
	Model	Unstand Coeffi		Standardized Coefficients	Т	Sig.
		В	Std. Error	Beta		
1	(Constant)	859	.775		1.108	.269
	Sup.	.190	.142	.080	1.337	.182
	Sat.	.161	.142	.067	1.134	.258
	Speed.	.220	.126	.103	1.749	.050
	Test.	.117	.070	.097	1.659	.098
	Simplicity	.030	.134	.014	.226	.822

**4.5.4** The Impact of Superiority, Customer Satisfaction, Speed, Simplicity and Inspection and Testing as Independent Variable on the competitive position of mobile.

Multiple Regression analysis was conducted to measure the impact of superiority, customer satisfaction, speed, simplicity and inspection on the competitive position of the mobile. The results indicate that the model as a whole is significant because the F value (2.53) is significant at a level of (0.029). Moreover, it can be claimed that even the model is valid but the correlation between the independent variables and the dependent variable (20.4%) is almost weak. Therefore, the determination coefficient (4.2%) has become very small, thereby implying that all independent variables explain only 4.2% of the variation in the dependent variable.

The result of the regression analysis has shown that only superiority and speed have an effect on competitive position. However, the effect of speed is positive and stronger than superiority because its coefficient is positive and higher than superiority with the level of significance of (0.05) is equal to (0.05).

**Table 20:** Correlation, Determination and Regression Coefficients of the Relation between Product Development Factors and Competitive Position of Mobile

Mod 1	le R	R Square	Adjusted R Square		Adjusted R Square Std. Error of the Estimate		
1	.204a	.042		.025		.27365	
Model		Sum of Squares	DF	Mean Square	F	Sig.	
1	Regression	20.556	5	4.111	2.534	.029b	
	Residual	473.676	292	1.622			
	Total	494.232	297				
Model		Unstand Coeffi		Standardized Coefficients		Sig.	
		В	Std. Error	Beta			
1	(Constant)	.938	.775		1.211	.227	
	Sup.	.251	.142	.106	1.764	.050	
	Sat.	.213	.142	.089	1.494	.136	
	Speed.	.244	.126	.114	1.934	.050	
	Test.	025	.070	021	350	.727	
	Simplicity.	.013	.134	.006	.098	.922	

**4.5.5** The Impact of Superiority, Customer Satisfaction, Speed, Simplicity and Inspection and Testing as Independent Variable on the Price of Mobiles.

Multiple Regression analysis was conducted to measure the impact of superiority, customer satisfaction, speed, simplicity and inspection on mobile price. The results indicate that the model as a whole is significant because the F Value (2.47) is significant at a level of (0.032). Moreover, it can be claimed that even the model is valid but the correlation between the independent variables and the dependent variable (20.2%) is almost weak. Therefore, the determination coefficient (4.1%) has become very small, thereby implying that all independent variables explain only (4.1%) of the variation in the dependent variable.

The result of the regression analysis has shown that only superiority, satisfaction and test have an effect on the price of mobiles. However, the effects of superiority and satisfaction are positive because their coefficients are positive but lower than test in the level of effect, and all were significant at a level of (0.05).

**Table 21:** Correlation, Determination and Regression Coefficients of the Relation between Product Development Factors and Product Price

between Product Development Factors and Product Price							
Mo	del	R	R Square	Adjuste	Adjusted R Square		Error of the stimate
1		.202a	.041		.024		31213
	Model		Sum of Squares	DF	Mean Square	F	Sig.
1	Re	gression	21.323	5	4.265	2.477	.032b
	R	esidual	502.734	292	1.722		
		Total	524.057	297			
Model		del	Unstandardized Coefficients		Standardize Coefficient		Sig.
			В	Std. Error	Beta		
1	(C	onstant)	1.499	.798		1.878	.061
		Sup.	.259	.146	.106	1.773	.050
		Sat.	.252	.147	.102	1.717	.050
	5	Speed.	-044	.130	020	342	.733
		Test.	134	.073	108	-1.840	.050
	Sir	nplicity.	.168	.138	.073	1.213	.226

#### **CHAPTER 5**

#### **CONCLUSION**

This study aimed to determine causality relation between product development and mind status of the customer. According to this goal and based on the research questions and hypotheses, the analysis and findings from the study indicate that the factor "Inspection and testing (Experience)" was of highest importance for the participants; therefore, it is important to take into account this variable with the process of product development. On the other hand, the lowest in importance according to the attitudes of the study sample was the "mobile price," which explains the participants desire to obtain a new product without a significant impact on its price. Moreover, it was found that there is a significant impact of superiority, customer satisfaction, speed, simplicity and inspection and testing on the mobiles' diversity due to the rapid changes of the external environment in general and in consumer tastes and expectations in particular. Those changes prompted consumers to pay attention to diversity. Moreover, rapid technological developments pushed consumers to pay more interest to diversity.

The results indicated that there is no significant impact of superiority, customer satisfaction, speed, simplicity and inspection and testing on the mobile reputation. Due to the degree of consumer conviction in a quality of the iPhone Mobile in advance. The consumer's conviction was represented firstly through its reputation among other mobiles on the market. The results show us there is a significant impact of superiority, customer satisfaction, speed, simplicity, inspection and testing on the mobiles performance due to the good performance of the iPhone Mobile, with services that are compatible with the wishes of customers by considering that the performance is the real value of the product when in use.

Through the data analysis, the researcher found that superiority, customer satisfaction, speed, simplicity and inspection and testing impact the competitive position of the mobile significantly due to the development revolution in the present time and the intensity of competition. Furthermore, it was found that there is a significant impact of superiority, customer satisfaction, speed, simplicity and inspection and testing on the price of the mobiles due to the consumer's focus on continuity of product development and high quality more than focusing on price.

The results indicated that customer satisfaction has the highest significant impact on the diversity of mobile, while simplicity has the lowest impact. The results also showed that speed has the highest significant impact on the reputation of mobile, while simplicity has the lowest impact. Speed has the highest significant impact on mobiles' performance, while simplicity was the lowest. It was found that speed has the highest impact on competitive position of mobile significantly, while the simplicity has the lowest non-significant impact. Finally, it was found that the inspection and testing have the highest significant negative impact on the mobiles' price, while the speed has the lowest negative impact.

The study concluded that the main aims of industrial companies are to remain in the market in order to maintain the existing market and to grow in a market that witnesses great competition between global companies by their supremacy in distinguishing their product or products from alternative products available in the market. This requires marketing and production workers to build some distinctive standards for their products, including quality, pricing and speed of processing, post-sales services and so on. It is better for a company to be different and distinctive from other competitors in its products whether in either the production or marketing of their products or in both the production and marketing of their products. Therefore, the study may also conclude that product developer (distinction) relative to the products of competitors is one of the key elements of a company's success in the market and its existence and thus its growth.

Future studies should examine the extent to which having developed products to sell to existing customers, as result it deepens the interpersonal relationships between salespeople, their existing customers and increases customer loyalty. Moreover, one may ask: What is the ideal mix of incentives to motivate salespeople to sell new products and promote the mind status of customers? Therefore, the study suggests the need of researchers to expand the conduct of studies and complementary research to the idea of current study, which deals with the fundamental variables by focusing on continued product development and mind status of various other products, such as the application on the replacement parts, electrical machines and other industries. As well as, the study proposes to change or add other variables within the general direction for orientation of current study: such as comprehensive quality, characteristics of product, application or product promotion.

#### **REFERENCES**

- Adrian, B. (1993). The Essence of Services Marketing: Prentice-Hall, U.K. p. 95.
- Abboudi, S. H. (2005). Marketing Communications and Their Role in Enhancing Bank position in the Customer's Mind: *PhD thesis (unpublished) college of Economic and Administration*, Bagdad University.
- Alan R. and Richard, H. (1995). International Business: M.C. Graw-Hill, U.S.A. p. 302.
- Albert L. p. (1993). Assessing New Product Development Practices and Performance Establishing Crucial Norms: *Journal of Product Innovation Management*, September. p. 280.
- Aldamd, A. J. (2000). Physiology of mental processes in sport: 1<sup>st</sup> edition, *House of thought for printing, publishing and distribution*, Amman, Jordan. p. 114-120.
- Alodas, p. (1999). Production and Operations Management Portal: *House Mars for Printing and Publishing, Riyadh*, Saudi Arabia. p. 604.
- Altman, E. H. P. (1998). Service Quality & Customer Satisfaction Do Matter: *American Libraries*, Vol. 29, (Aug.). p. 55.
- Alves, J. and Marques, M. J. S. (2004). Role of Networking in Innovation promotion and cluster modernization: *House of future, Case in Revisit Portuguesa de Escudos Regionals*, vol. 6, pp. 27-41.
- Armstrong, G. (1999). Principles of Marketing: 8<sup>th</sup> edition. *Prentice-Hall, Inc., New York*, U.S.A. p. 282.
- Askari, A. SH. (2000). Industrial Marketing: A Strategic entrance, *Wael House for publication*, Amman, Jordan. pp. 101-119.

- Azawy, M. A. M. (2002). Quality Dimensions and Product Development and their Effect on the promotion of the local Tire position in the Iraqi consumer mind: PhD thesis Business Administration (unpublished), Faculty of Management and Economics, University of Mosul.
- Baker, A. (2000). Marketing Strategy and Management: 3<sup>rd</sup> edition. © *Michael J. Baker*. p. 288.
- Baker, R. J. (2005). The Real Meaning of Volume in Trading Relationship: *International Journal of Operations & Production Management*. Volume, 25 Issue, 6 pp. 549-565.
- Bakri, T. Y. (2002). Marketing Management: the House of University for printing, publishing and translation, Mosul, Iraq. p. 108.
- Bergman, B. (1994). Quality from Customer Needs to Customer Satisfaction: McGraw-Hill Co., U.K. p. 34.
- Beyer W. and Holt, p. (2003). Operation Management: 3<sup>rd</sup> edition, Prentice- Hall, London. p. 16.
- Bhimani, A. and Mulder, p. S. (2001). Managing processes, quality, and costs: A case study. *Journal of Cost Management*, 15 (2), 28-32.
- Clark, R. A. and Glodsmith, R. E. (2006). Interpersonal Influence and Consumer Innovativeness: *International Journal of Consumer Studies*. Vol. 5 pp. 20-32.
- Concepts of Mind Status, retrieved from (www.Jpec.org /handouts/jpec35). On 10, Feb, 2015.
- Cooper, R. G. (2001). Winning at New Products: 3<sup>rd</sup> edition. *New York. Addison Wesley*. pp. 130-141.
- Dalrymple, D. J. and Parson, L. J. (1986). Marketing Management: *Strategies and Cases*, 4th edition. John Wiley & Sons, Inc., New York. p. 681.
- Darymple, D. L. and Parsons, L. J. (2000). Marketing Management Text & cases: 7<sup>th</sup> edition, John Wiley & Sons Inc., New York, U.S.A. p. 94.

- David, C. (2000). Strategic Marketing: 6<sup>th</sup> edition. The McGraw-Hall Co. Inc. p. 195.
- Dewachi, O. S. A. (1999). Marketing Management: 2<sup>nd</sup> edition, *National Library for printing and publishing*, University of Mosul. p. 116-120.
- Dewachi, O. S. A. (2000). Modern concept of marketing management: 1<sup>st</sup> edition, *Hamed Publishing and Printing*, Amman, Jordan. pp. 50-60.
- Dibb, E. (1991). Marketing Concept and Strategies: *Houghton Mifflin Co., European ed.* pp. 90-95.
- Differentiation, retrieved from (www.wolterkluwer.com. 2000. p. 1). On 5, April, 2015.
- Dilworth, B. J. (1996). Production and Operations Management: 4<sup>th</sup> edition. McGraw-Hill Publishers, New York. p. 99.
- Donnelly, J. H and Peter, p. J. (1998). A Preface to Marketing Management: 3<sup>rd</sup> edition. Business Publications Inc.
- Doyle, A. (1994). Marketing management and strategy: 5<sup>th</sup> edition. Prentice -Hall International (U.K.).
- Dukes, A. (2001). Positioning Strategies for Existing Brands: Carnegie Mellon University,http://smealsearch.psu.edu/cache/papers/Business/429/http:zSzz Szwpweb2k.gsia.cmu.eduzSzajdukeszSzbrandposition.pdf/positioning-strategies-for-existing. Pdf.
- Dulaimi, A. and Salman, O. (2001). Measure the efficiency and effectiveness of the performance of the Islamic Iraqi Bank for Investment and Development: *Journal of Economic and Administrative Sciences*, University of Baghdad, October.
- Eric, N. B. (1997). Marketing: 5<sup>th</sup> edition, USA. p. 333.
- Evans, J. R. (1997). Production, Operation Management Quality Performance and Value, 5th. Edition. N. Y., *West Publishing Co.*

- Evans, J. R. & Berman, B. (1982). "Marketing" Prentice Hall, New York. p. 31.
- Fait, E. H. (1997). Mass Customization Hewlett Packard: *The Power Post Phoneme, Harvard Business Review*. Jan-Feb. p. 111.
- Fletcher, K. (1990). Marketing Management and Information Technology: Prentice-Hall International Group, England. p. 129.
- Fredrick, F. R. (1996). Learning from Customer Detection: *Harvard Business Review*. (March-April).
- Gajo, A. H. E. (2005). Positioning Structure and reinforcing it according to Packaging Consideration in Products Group: *Master thesis of Business Administration (unpublished)*, Faculty of Management and Economics, University of Mosul.
- Gilbert, D. H. (2002). Marketing Connecting with Customers: *McGraw-Hill Co.* p. 303.
- Hail, Y. F. (2001). Production and operations management: first edition, *House Safa for publication and distribution*, Amman, Jordan. p. 307.
- Hair, J. F. J., Anderson, R. E., Tatham, R. L. and Black, W. C. (1998). Multivariate Data Analysis: 5th edition. Prentice-Hall International, *Upper Saddle River*, NJ.
- Heizer, J. and Render, B. (2000). Operations Management: 6<sup>th</sup> edition, Prentice-Hall, U.S.A. pp. 134-136.
- Helen, T. and David, H. (2001). Strategic Management: translated by Abdul Hamid Mahmoud Morsi, and Zuhair Naim Al Sbaa, *Institute of Public Administration*, Saudi Arabia.
- Heskett, J. L. (1976). "Marketing" New York, U.S.A. p. 1.
- Hirsh, E. and Hedlund, S. and Schweizer, M. (2000). Reality Is Perception: *The Truth about Car Brand. www.product-lab.com/positioning.html*.

- Hollensen, S. D. (2001). Global Marketing a Market-Responsive Approach: *Prentice-Hall, New Jersey.* p. 405.
- Jamal, S. A. (1995). Perceptions of Sports and its Relationship to Youth Trends toward Sports Activities in Jordan: *Master Thesis (unpublished)*, University of Jordan, Jordan. p. 12.
- Juran, J. M (1988). Quality Control Handbook: 4<sup>th</sup> edition, McGraw-Hill Book Company, Inc., N.Y. pp. 217.
- Kaolee, A. A. (1994). School of Physical Education: 3<sup>rd</sup> edition, *House Al Arab Thought for publication*, Cairo, Egypt. p. 199.
- Karim, M. and Sabah, M. N. (2004). Production and Operations Management: *House Wael for printing and publishing*, Amman, Jordan. pp. 54-145.
- Kashmolla, N. A. (2007). Purchasing Material with Suitable Quality and Product Development and Its Effects on the Operation Performance: Dissertation in Business Administration, (*Unpublished*) *University of Mosul*. Collage Administration & Economics.
- Katsundo, H. (1996). Manufacturing Systems Engineering: *Publishers Taylor & Framcis.* p. 98.
- Keegan, E. (1995). Marketing: 2nd edition, *Prentice-Hall, INC*. pp. 300-307.
- Knox, H. (2000). Marketing Management, 1<sup>st</sup> edition, *Grandfield of Management*. p. 117.
- Kotler, p. (2000). Marketing management: the millennium edition, prentice-Hall Inc.
- Kotler, p. (2003). Marketing management: 11th edition, prentice-Hall, Inc., A Simon & Schuster Company Upper Saddle Rivers, New Jersey.
- Kotler, p. and Turner, R. E. (1997). Marketing Management: Analysis, *Planning, Implementation, & Control*, 9th edition, Prentice Hall, Inc., U.S.A. pp. 47-299.

- Krajewski, J. and Ritzman, L. p. (1993). Operations Management Strategy & Analysis: 3rd edition, *Addison-Wesley Publishing Co.* New York, U.S.A. p. 31.
- Lancaster, G. and Reynolds, p. (1998). "Marketing" *Macmillan Business Muster, Landon*. Pp. 40-52.
- Leong, K. (1999). Operations Strategy Focusing Competitive Excellence: *Boston Allyan and Bacon*. p. 119.
- Levey, T. (2000). The Next Wave in Marketing Software: www.productmarketing .com/archives/2003/0311tl.pdf
- Mahmood, A. M. S and Shalash, N. M. (2000). Learn of movement: 2<sup>nd</sup> edition, *National Library for printing and publishing*, the University of Mosul.
- Maria, V. (2002). Competing Through New Product Development Supported by Knowledge Gained from Investigations on Success Factors: *Periodical Polytechnic Ser Soc*, Man Vol. 10 No. 2. p. 250.
- Markland, E. (1995). Operations Management Concepts in Manufacturing and Services: *West Publishing Company*, USA. p. 84.
- Mathisen, H. and Einarsen, G. (2004). A review of Instrument Assessing Creative and Innovation Environments within Organizations: *Creative Research Journal*, Vol. 16, No. 1. pp. 19-140.
- Meldrum, B. and McDonald, A. (2000). Marketing in Manage able Bites: 2<sup>nd</sup> edition, Macmillan Press LTD. pp. 162-163.
- Memory and Mind Status, retrieved from (www.Udadton.com, 1). On 15, January, 2015.
- Michelson, G. (2006). Marketing Positioning Strategies, Segmentation: http://www. Determan.net. p. 1.
- Michlhsu, K. (2003). Marketing Positioning Strategies, Segmentation. http://www. Determan.net. p. 2.

- Mind Status, retrieved from (www.5step.com). On 10, March, 2015.
- Moalla, N. and Tawfiq, R. (2003). Marketing assets strategic entry: 2<sup>nd</sup> edition, *House of Wael for Publishing*, Amman, Jordan. pp. 60-70.
- Mohammed, I. O. (2000). Basics quality and production: 1<sup>st</sup> edition, *House scientific books for publication and distribution*, Cairo. p. 108.
- Naeem, H. J. (1999). The basics of marketing management: *Pen of House for publication and distribution*, the United Arab Emirates. p. 198.
- Najm, A. N. (2003). Innovation Management, Modern Concepts, characteristics and experiences: 1<sup>st</sup> edition, *House Wael for publication*, Amman. p. 206.
- Nicholas, G. C. (1999). Visualizing Innovation: *Harvard Business Review*, Vol. 77, No. 5, Sept.-Oct. p. 15.
- Obeidat, M. (2002). Consumer behavior behavior entrance: 2<sup>nd</sup> edition, *House Wael for Publishing*, Amman, Jordan.
- Obeidat, M. I. (2000). New product development: *House Wael for publication*, Jordan. pp. 145-157.
- Oliver, L. R. (1999). When consumer loyalty? *Journal of Marketing*, 33-44.
- Oliver, R. (2003). Cognitive, Affective and Attribute Bases of the Satisfaction Response: *Journal of Consumer Research*, 20, December. p. 430.
- Omar, W. A., Abdali, Q. and Hamd, R. (1994). Principles of Marketing: *House of Alzahran for publication and distribution*, Amman, Jordan. pp. 80-90.
- Omer, R. M. (2003). Principles of Marketing: 1<sup>st</sup> edition, *Wale House for printing and publishing*, Amman, Jordan. pp. 202-204.
- Oskarsson, C. (1993). Technology Diversification: The Phenomenon, Its Causes and Effects, School of Technology Management and Economics, Postgraduate Program in industrial Management and Economics.

- Palmer, R. (2000). Marketing Management: St Martin's Press, Inc. U.S.A. p. 130.
- Pavitt, K. (1995). What we know about the Strategic Management of Technology? *California Management Review*, Vol. (32), No. 3, spring. p. 17.
- Peter, D. (1994). Marketing Management Strategy, 5<sup>th</sup> edition, Prentice- Hall International (UK) Limited. p. 80.
- Peter, D. (2001). Marketing management Knowledge and skills, 6<sup>th</sup> edition, Irwin-MCG raw. pp. 79-80.
- Philip R. C. and John, L. C. (1999). International Marketing: *McGraw-Hill Companies*, New York, USA. pp. 354-355.
- Philip, K. and Turner, R. E. (1993). Marketing Management Analysis: Planning Implementation and Control, 6<sup>th</sup> edition, Prentice-Hall, Inc., Canada, New Jersey, USA. p. 668.
- Porter, E. W. (2005). How to Implement a Customer Satisfaction Program? Business Horizons. p. 3.
- Pride, A. and Ferrell, B. (2000). Marketing concepts & strategies: *Houghton Mifflin Company*, U.S.A. pp. 280-286.
- Ralph, E. G. (2000). From the Ladder of Science to the Product development Cycle: *Harvard Business Review*, Vol. 67, No. 6, Nov Dec. p. 105.
- Ramiz, W. S. M. (1997). Strategic of marketing: 1<sup>st</sup> edition, Oman. Jordan.
- Rawy, S. Y. H. (2005). The effect of some environmental factors in technological innovation: An exploratory study on a selected group of industrial companies in the province of Nineveh, a Master thesis in Industrial Management (unpublished), Faculty of Management and Economics, University of Mosul.
- Recklies, D. (2001). Positioning as Strategic Marketing Decision: www.The manager .org.

- Richard, A. S. and Richard, O. (2005). Reexaminations of the Determinates of Consumer Satisfaction, Journal of Marketing: 60 (July). p. 40.
- Richard, L. (1997). A New Perspective on Customer Satisfaction: Work Group Resource, *Inc.*, *Contact with Richard@business-coaching.com*
- Richard, P. (1986). Positioning by Opening the Consumer Mind: *International Journal of Advertising*, Vol. 15. Issue 1. pp. 1-13.
- Robert, R. T. and Anthony, J. Z. (2004). Customer Satisfaction, Customer Relation and Market Share: *Journal of Retailing*, July, Vol. 9.3.
- Roberta S. R. and Bernard W. and Taylor, I. (1998). Operations Management: Focusing on Quality and Competitiveness: Prentice-Hall, Inc., London. p. 197.
- Rogers, E. M. (2003). Diffusion of innovations: 7<sup>th</sup> edition, *New York. The Free Press*.
- Rosa, J. A., Bagozzi, R. p., Celly, K. S. and Cornoel, F, (1998). www.cbi.msstate. edu/faculty/bengelland/perceptmap.pdf.
- Row, E. (1994). Strategic Management a Methodological Approach: 4<sup>th</sup> edition, *Addison Wesley Publishing Co*, Inc., Prentice-Hall, Inc. p. 207.
- Saeed, M. A. (1996). Marketing Management: the House of University for Printing and Publishing, Beirut, Lebanon. p. 52.
- Saintanne, J. (1993). Perception Marketing: www.strategy-siness.com/media/file/03302.pdf.
- Schroeder, R. G. (1985). Operation Management: Decision Making in the Operation Function, 3<sup>rd</sup> ed., McGraw-Hill Book, N.Y. p. 62.
- Shafer, S. and Meredith, J. R. (1998). Operations Management: A Process Approach with Spreadsheets, John Wiley & Sons, Inc., U.S.A. pp. 154-185.

- Shafiq, I. H. and Nazam, S. (1998). Marketing Basics: 1<sup>st</sup> edition, *House of Hammed for publication and distribution*, Amman, Jordan. p. 130.
- Sharman, Z. M. and Salam, A. (2001). Principles of Marketing: 1<sup>st</sup> edition, *Safa House for Publishing and Distribution*, Amman, Jordan.
- Shora, M. S. K. (1999). The division of the market according to as the mental status of the tourists a study in the Jordanian tourist services market: *PhD thesis* (unpublished), Faculty of Management and Economics, University of Mosul.
- Sobek, D. K. and Ward, A. (1998). Steps of Product Development in Toyota Firm: *Harvard Business Review*, 76(4). 36-50.
- Soleman, O. (1995). Principles of Marketing an Introduction behavioral: 3<sup>rd</sup> edition, *the Middle East Printing Co.* Amman, Jordan. p 106.
- Swan, J. E. and Combs, L. J. (1976). Product Performance and Consumer Satisfaction, *Journal of Marketing*, Vol. 40, (April).
- The Basics of the Mind Status Strategy, retrieved from (www.journalism. unl.edu, 14. unl.edu/advertising/pdf/branding.pdf). On 15, Feb, 2015.
- The Decisions of the Product Position among the Competitive Products, retrieved from (www.Ubayton.edu, 7). On 30, December, 2014.
- Thorson, E. (1989). Products, Positioning and Market segmentation: www.uiowa.e du/commuted/adage-positioning.html.
- Vittorio, Ch. (2004). The Externalization of R & D Activities and the Growing Market of Product Development, R & D Management: 34, 1. p. 65-67.
- Wheelwright, S. C. and Sasses, W. E. (1989). Manufacturing Strategy: Defining the Missing Link, *Strategic Management Journal*, Vol. 5: No. 1. pp. 112-125.
- Wiseman, B. (2003). Product positioning: www.outargeteresearch.com.

#### APPENDICES A

# THE QUESTIONNAIRE I

# **Greetings**

This form is part of master thesis in business administration, under the title "The Impact of Product Development on Mind Status of the Customer". The research represents an exploratory study of opinions about the effect of iphone Mobile development on the mind status of the customer, where the study aims to reveal the impact of product development on the mentality of the customer. For this reason, the researcher built questionnaires to measure the variables of the study, so that I hope your cooperation with us by answering these items quite frankly and objectively. Also, your answers must be by putting the sign  $(\checkmark)$  in the right place for every paragraph. The right answer will show your agreement degree for each one.

**Note:** These collected information will be treated confidentially, and it will be used just for the purposes of scientific research.

I thank you all for your cooperation and participate to fill this form.

**A**1

Personal information:-
1. What is your gender?
2. What is your age?
3. What is your education level?  High certificate Bachelor
4. What is your mobile type?
5. Date of mobile industry (model):
6. Do you have more than one Mobile? Yes No
7. Rate of daily use for Mobile: hour
8. How often do you change your mobile?    Every 3 months    Evert half year  Yearly
9. Do you the maintenance of mobile? Periodically Time of need
10. If you want going to change which brand will you prefer.   iPhone   Other

	Phrases	Strong agree 5	Agree 4	Uncertain 3	Disagree 2	Strongly disagree 1
11	Superiority					
1	The iphone mobile superiority in the customer's mind happens because of this type of mobile introduces new developed products and new software programs in the market.					
2	The iphone mobile superiority on other products comes as a results of developing its current products.					
3	The iphone company keeps on the feeling of the changes that happens in the market by linking these changes with the needs and desires of customers.					
4	The iphone differentiation about other competitive products considers one of the most important keys of success, survival and growth in the customer's mind.					
5	iPhone always technologically is superiority than other brands.					
12	Satisfaction customer					
1	New iphone products comes matching for my expectation.					
2	The iphone products are achieved a good convince in myself.					
3	The iphone products occupies a great status in my mind during the buying process.					
4	The iphone mobile always introduces a suitable performance for the customer's demands.					
5	The iphone mobile customers are continually increase because it satisfies the current customer.					
13	Speed		T			
1	Reducing the obliged time for development iphone mobile is necessary to control the intense competition in the market.					
2	Decreasing the time is necessary between the receiving customer's demands, and deliver the developed products.					
3	The respond speed of the development iphone mobile gives an opportunity to meet the needs of the customer demands.					
4	The instant development in the iphone mobile gives the products another competitive feature.					

	Phrases	Strong agree 5	Agree 4	Uncertain 3	Disagree 2	Strongly disagree
14	Inspection and testing (Experience)					
1	The old experience of the customers helps them to continue buying the iphone products.					
2	The inspection helps to diagnose the right features and the extent of accepting the products in the mind of customer.					
3	The necessity of examining and testing the developed products periodically before offer them in the market.					
4	The aim of examining and testing process is to separate the faulty products from the suitable and good products.					
15	Simplicity					
1	The using of iphone mobile easily gives a good impression of product in the customer's mind					
2	Reducing the internal parts of the iphone mobile help to simplify it.					
3	The simplicity in the iphone design comes clear through using it by the customers.					
4	Reducing the size, shape, and the weight of the iphone mobile periodically will meet the needs of the costumers					
5	Focusing on simplicity is very important in all development stages of iphone mobile.					
16	Mind Status					
1	Re- buying iphone mobile connects with its status in the customer's mind.					
2	The costumers always buy a famous products, therefore, they buy iphone mobiles.					
3	The iphone brand is a guarantee of the high quality for the costumers.					
4	The ability and suitability of iphone mobile are an important features in comparison with all competitive mobiles.					
5	Increasing the prices of iphone mobile will not effect on my satisfaction toward it.					

# **CURRICULUM VITAE II**

# PERSONAL INFORMATION

Surname, Name: SALEH, Thabet Ali

Date and Place of Birth: 28 October 1983, Iraq- Kirkuk

Marital Status: Married

**Phone:** +90 5340 16 37 81, +9647702386502

Email: Thabetali57@yahoo.com

# **EDUCATION**

Degree	Institution	Year of Graduation
M.Sc.	Çankaya University,	2015
	Administration and Economic	
B.Sc.	Mosul University,	2007
	Administration and Economic	_ = 5 0 /
High School	Al-khan for boys	2002

# **FOREIN LANGUAGES**

Advanced Arabic, Advanced English, Beginner Turkish.