

THE USE OF QUALITY COSTS IN THE RE-POSITIONING STRATEGY TO ACHIEVE A COMPETITIVE ADVANTAGE

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ABSTRACT

The purpose of this study is to rely on some cost management techniques (quality cost technique) through research and analysis of the re-positioning strategy to prove its characteristics and advantages, as well as its importance in the economic unit strategy, to gain a competitive advantage based on the constantly changing work environment.

Keywords: Quality costs, The re-positioning strategy, Competitive advantage.

INTRODUCTION

Expansion and mutual openness in global markets have turned the world into a small village; its signs are money, business, public and private institutions, investors, creditors, lenders, customers and all stakeholders. It looks for ways, methods and procedures that enable it to differentiate and gain a share in the market represented in research and development work. This, in turn, leads to differentiation and competition in the advanced position in the market.

First: The research problem

The problem of the research is that the Iraqi economic units operating in the industrial sector in light of the contemporary business environment dominated by competitiveness suffer from the administrations' neglect of modern strategies and the information they provide according to developments and progress in providing the best products and services to the consumer.

Based on the above problem, the following questions can be formulated:

- a) Does the economic unit adopt the research sample strategy of re-positioning?
- b) Given the re-positioning strategy, will the sector be able to achieve a competitive position that allows it to face the vagaries of the business environment, especially in Iraq?

Second: Research objectives

The research aims to achieve each of the following objectives:

- a) Mention the characteristics and advantages of the re-positioning strategy after analyzing the research.
- b) Rationalizing costs according to the re-positioning strategy by adopting rationalization techniques.
- c) Clarify the role of cost and quality dimensions in achieving the dimensions of competitive advantage.

Third: The importance of research

The importance of research for the unit stems from achieving the following:

- a) Re-positioning the sample subject of research in the Iraqi market while facing changes in the current business environment.

- b) A statement of the contribution of the strategy of re-positioning and rationalization of costs in achieving the competitive advantage of the sample in question.
- c) Helping the Abu Ghraib Dairy Factory to face the challenges and rapid environmental changes in light of the re-positioning strategy and its objectives.

Fourth: The research hypothesis

The researchers developed a hypothesis that would provide a proposed solution to the research problem, which can be formulated systematically as follows:

(The possibility of applying the use of quality costs in the re-positioning strategy to achieve competitive advantage).

Fifth: Spatial boundaries

The Abu Ghraib dairy factory was chosen, as it is a factory that offers different types of dairy products.

Sixth: Temporal limits

The period is the financial statements for the year ending on 12/31/2020.

Seventh: Previous studies

Jagdish Sheth, Varsha Jain, Anupama Ambika for the year 2020, titled "*Re-positioning the Customer Support Services the Next Frontier of Competitive Advantage.*" Research published in the European Journal of Marketing to study the reality of after-sales services in Indian industrial companies, aimed at re-positioning customer services After sales from an administrative cost center to a strategic profit center, and how after-sales services affect revenue generation as a competitive advantage for units.

Senka Šekularac-Ivošević, Melika Husić-Mehmedović, Elen Twrdy for the year 2018, titled Re-positioning Strategy in the Maritime Port Business "*Strategy for re-positioning the business of a seaport*" research published in the Journal of Transport and Traffic An applied study on the port of Adria in Montenegro aimed at identifying the standards of maritime work and their interrelationship with concentration, to achieve a strategy of re-positioning in the port of Adria, by presenting a proposed model for the work of ports in accordance with the approved standards, which contributes to creating a competitive advantage that attracts customers, leading to achieving financial savings that make it in advanced positions at the level of ports in the world.

Youngsik Shin, Kyung Cheon Cha for the year 2013, titled Brand Revitalization by Strategic Re-positioning, "*Brand Revitalization through Strategic Re-positioning,*" Asian Marketing Journal, a case study of Korando Sports for the automotive industry in South Korea, which aims to reduce the gap between market requirements and unit capabilities Assisting executives in studying and analyzing the external orientation and thinking of customers, in order to gain their faith and loyalty in the product and brand. The success of the re-positioning strategy in targeting a specific category leads to the conversion of the buyer from a consumer to a customer as a result of meeting his preferences through the correct targeting.

Paul B. Ellickson, Sanjog Misra, Harikesh S. Nair for the year 2012 entitled Re-positioning Dynamics and Pricing Strategy, a research published in the Journal of Marketing

Research, an applied study on a group of supermarkets in the United States of America, aiming to measure The revenue and cost implications for supermarkets of changing their prices.

Ogeto Angela Annekwamboka for the year 2011, entitled Strategic Re-positioning and Performance in Virtual Sat Limited at Virtual Group Company in Kenya The research aims to determine the strategic positioning of the company and to educate the company's employees about the importance of strategic re-positioning and its reflection on the company's objectives.

Eighth: The contribution of the research

What distinguishes the current study from previous studies is the work on analyzing the reality of the costing system used in the factory, as well as diagnosing the cost strengths and weaknesses, with the aim of addressing errors and correcting the cost path in light of adopting the re-positioning strategy, and achieving the gradual re-positioning of the factory products through price development and quality of those products in the market.

The first theoretical research

First, the concept and definition of quality

Many definitions deal with quality. The American Society for Quality defined it as *"the overall characteristics and advantages of a manufactured product or service that are performed based on specifications in order to satisfy customers at the time of purchase or during use"* (Horngren et al., 2012).

Hilton explained that two concepts of quality determine the degree of product superiority or conformity to specific uses, namely the Quality Grade of the product, which indicates the ability to perform the specific purpose compared to similar products that perform the same function and the Quality of Design of the product that indicates the extent to which the appearance and design of the product conforms to the specified uses (Hilton, 2011).

Second: the costs of quality

Quality costs refer to those costs that occur to prevent (or costs that arise as a result) the production of a low-quality product, and quality costs are classified into four groups: - (Horngren et al., 2015; Azeez et al., 2020).

Prevention costs

Costs incurred to lessen product failure from both the inside and the outside are referred to as quality costs. It is sometimes referred to as the expenses incurred to stop the production of non-conforming goods. As an illustration:

- a) **Planning and design:** The expenses incurred in creating and enhancing quality control systems to uphold attained standards of quality.
- b) **Product design:** Creating a product that meets customers' expectations and meets their demands comes at a cost.
- c) Process engineering costs are incurred with the aim of ensuring that production processes meet predetermined quality requirements.
- d) **Quality training:** These expenses are associated with creating and carrying out high-quality training initiatives.

- e) **Information Expenses:** It includes expenses for gathering and preserving high-quality data and information as well as procedures for creating and evaluating high-quality reports.
- f) **Preventive maintenance:** This part tries to keep machinery and equipment in good working condition to enhance production procedures and raise product quality.
- g) **Quality assurance:** planning and managing quality to guarantee correct application of standards and quantifications.

Evaluation costs

These have to do with evaluating the current state of the materials, goods, and services. It is often referred to as the expenses incurred in identifying non-conforming products. As an illustration:

- a) **Testing and inspection:** These are the expenses related to the operations of inspecting raw materials, production in progress, and the finished good.
- b) **Maintenance and calibration:** The costs associated with maintaining the equipment and devices required to verify the validity of the inspection process and make sure it meets testing and examination quality standards are known as maintenance and calibration of inspection devices.
- c) **Testing and examination reports:** These are specifics about faulty that are sent to upper management as reports so they may make the right judgements.

Internal Failure Costs

The expenses incurred by the economic unit in fixing its faulty products prior to delivery to clients. A different name for them is "*costs associated with service failure before they are submitted to customers.*" As an illustration:

- a) **Scrap:** The expenses related to partially manufactured goods and completed materials that are flawed and cannot be rectified.
- b) **Operation:** The expenses incurred in repairing non-conforming products and ensuring the necessary qualities and attributes.
- c) **Reconsideration:** The expenses related to inspecting repaired goods again.
- d) **Internal failure analysis:** The expenses associated with analysing the reasons behind failure and determining these causes so that they can be addressed and prevented going forward.
- e) **Fault maintenance:** The expenses associated with fixing and monitoring production machinery eliminating materials that give products a flawed appearance.

External failure

Expenses incurred following the delivery of defective goods or services to clients. As an alternative, the expenses spent by the economic unit on goods that were deemed defective after being shipped to clients. As an illustration:

- a) **Guarantee:** The expenses incurred for upkeep and repairs of goods sold to clients and brought back to the business for processing within the warranty term.
- b) **Consumer grievances:** The expenses incurred as a result of consumer complaints that lower the standard of quality.
- c) **Sales returns:** Customers send back defective or non-standard products to exchange them for other good products.
- d) Costs incurred as a result of losing market share as a result of providing low-quality products and from customers becoming dissatisfied when a service or product does not live up to their expectations and needs.

Third: The re-positioning strategy

The centralization strategy of the unit towards its products is an important basic strategy for the success of the business, as the centralization includes creating the appropriate

product image in the minds of the target customers (Faullant et al., 2008). The centralization strategy is defined as an attempt to obtain a competitive advantage by preserving what distinguishes the unit. That is, in the sense of performing activities different from competitors or performing similar activities in different ways (Porter, 1996), and many brands are positioned based on the most attractive positioning strategies, Where the positioning strategies that include knowledge and experience, good quality, low price, comfort, sustainability, customer care, and simple product presentation are considered the most attractive (Gelder, 2013), and the positioning strategy is of long-term strategic value if it matches the internal characteristics with external conditions (Lammers & Ryll, 2016).

Fourth: Definition of re-positioning

Malik et al. defined re-positioning as a game played by marketers in the mind of the consumer to position their brand, bypassing the scattering of advertisements. It is considered an organized construction to create a different and preferred identity, perception, image, personality, and communication with the target market (Malik et al., 2016), and defined Janiszewska & Insch as a way in which the unit wants customers to perceive, think, and feel its brand versus competitive engagements (Janiszewska & Insch, 2012). As defined by 7.

Fuchs & Diamantopoulos, it is a vision in which the brand occupies a distinguished and credible position in the minds of customers. (Fuchs & Diamantopoulos, 2009).

Based on the above, it can be concluded that concentration is nothing but a method through which the unit can establish the characteristics and value of the product in the minds of customers differently from its competitors in order to obtain a competitive position and a market share that enables it to achieve its strategic goals.

Fifth: Types of re-positioning strategies

Three main types of re-positioning must be distinguished as follows:

Zero re-positioning

Units need to follow a zero re-positioning strategy when the activity is focused on the primary target segment only and its competitive advantage, without any regard for the changing environment. (Chang, 2009).

Gradual re-positioning

It means a gradual natural development and small adjustments that the unit makes to the products or services that it provides in order to meet the needs of customers (Shin & Cha, 2013).

Radical re-positioning

It is the process of shifting to new types of business operations or products, new target markets, or a complete remodeling of the unit (Shin & Cha, 2013: 5).

Sixth: Types of concentration

Three types of concentration can be described as follows:

Market positioning

Market positioning reflects the unit's ability to meet the needs and preferences of customers, analyze the reasons why customers prefer to deal with it rather than its competitors, and explain those reasons to the target audience (Fayvishinko, 2018: 246).

Concentration at the product level (product centralization)

Product centralization is the art of matching the unit's marketing message with the desires, needs, and feelings of customers and serving them better than others, which leads to their attraction to the products of that unit rather than competing units (Asinda, 2013). through which the product is associated with the attribute or feature of the product; in order to determine an effective product positioning, the customer must see that product as important to him (Lammers & Ryll, 2016), and if product positioning strategies depend on examining customer perceptions, then they are considered successful strategies, especially if they depend on measuring and evaluating customer perceptions and their preferences for the product relative to its competitors (Saqib, 2019). Furthermore, the preference for a familiar brand is due to the belief of customers that whoever produced this product spent time and money to get to the product with its characteristics and final shape (Adina et al., 2015), and the country of origin is considered an important factor in influencing consumers' brand evaluation, perceptions, and purchases, especially if the image of that country's products is positive, which reduces the perceived risks related to obtaining the product and thus can provide brands with a significant competitive advantage (Adina et al., 2015).

The product is the first element of the marketing mix, without which other marketing strategies (price, promotion and distribution) cannot be applied. However, in the same context, it is not possible to ignore the benefit of price, promotion and distribution of the product, as it is a marketing mix that complements one another, and the concentration of the product is not necessarily Goods of high quality, high prices, measurement, efficiency, benefits, and others have general criteria on which customers rely. The correct positioning is how to make the buyer think about that product over other products.

Centralization at the brand level (brand centralization)

Branding is one of the basic unit practices that emphasize continuity and connection to the external work environment in which customers are important. Through trademarks, units can create, nurture, and innovate, by creating a strong image that the customer and the unit are aware of (Abimbola, 2001). It is possible that the trademark offers a good, a service, or a combination of them, and that there are fundamental differences in the products and services that are offered, and that these differences have an impact on the degree to which positioning strategies are considered attractive (Gelder, 2013), and trust in the brand is considered one of the most important factors affecting its success, Which is built as a result of the promise and performance provided to customers, (Anwar et al, 2011), and brand positioning is usually the result of an in-depth examination of the brand, especially internal

examinations, which include input from a wide range of units, employees, and marketing personnel in particular, (Keller, 1999), and that the involvement of the unit on a wide range of employees and current and potential customers works to develop the positioning of the brand, as those posts are considered to have a positive impact on increasing the degree of attachment to the brand (fayvishinko, 2018).

It is clear from the preceding that the unit must take into account the study and analysis of the above factors when making a re-positioning decision by determining the unit's financial position and studying its strategic plans.

Seventh: The concept and definition of competitive advantage

The pivotal event that enshrined the concept of competitive advantage in the field of strategic management was Porter's book on competitive advantage (1985). In particular, Porter (1985) states that, in general, there are only two basic types of competitive advantages to possess, i.e., cost leadership and differentiation (Sigalas & Economou, 2013), and competitiveness is the main tool for developing the ability of the economic unit to coexist in an environment with competitive advantages. Globalization, the GATT agreement, and the openness of the World Trade Organization to the international trade liberalization market characterize the competitive environment. Therefore, competition is a bet that each economic unit must win in all ways acceptable to the rules of the competition game (Lahul, 2008).

Eighth: Dimensions of achieving competitive advantage

There are a set of dimensions that are considered as entry points and priorities for the competitiveness of the economic unit, and these dimensions are:

Environment

Economic units can support their competitiveness by achieving a unique competitive advantage that sets them apart from other competitors by offering environmentally friendly products. (Khalil, 2018)

Flexibility

The ability of the economic unit to provide a variety of products at the right time and the ability of the economic unit to develop existing products and improve its operations to provide new products that meet the needs and desires of customers (Al-Najjar, 2016).

Creativity

Producing ideas, decisions, and behaviors that are unusual but not unusual (Urbancova, 2013).

Quality

The ability to provide products and services at the lowest cost and free from defects to ensure that the organization achieves distinction in light of the existing competition in the market and to represent the general features and characteristics of the product and service. (Gupta et al., 2014).

Cost

It is one of the important variables in achieving competitive advantage, by reducing the cost of production by achieving the desires of a wide segment of customers by reducing the total cost with the need to achieve the strategic goal of cost reduction. (Alsawalhah & Almarshad, 2019).

Differentiation

The creation of a unique product or service to provide higher value to customers, and usually works to highlight the unique features of the product or service and provide additional value to customers so that the customer is willing to pay a higher value for the product or service (Al-Najjar, 2016).

Economic units seek to provide products or services that are unique and distinct from other economic units, which gives an advantage in different products or services that win the loyalty of their customers. Thus achieving demand that is characterized by growth that leads to profitability.

Ninth: Competitive advantage quality criteria

An economic unit itself cannot become a market leader without gaining a competitive advantage. In many cases, it finds its competitors outperform it, so it must have appropriate sources to judge the quality of its competitive advantage in order to make it stand out and continue to develop. The quality and extent of competitive advantage are determined by three conditions (Germoni, 2015).

Firstly. Source of competitive advantage

This advantage is arranged in two levels:

- a) **Low grade:** Such as lower cost of both labor force and raw materials, as it is relatively easy to imitate competitors.
- b) **High degree:** Such as production technology, product differentiation, good brand reputation based on marketing efforts or strong relationships with customers, these advantages are controlled by higher conversion or transaction costs.

Second: The number of sources of advantage that the economic unit possesses

If the economic unit depends only on one advantage, for example (the lowest cost product design or the ability to purchase cheap raw materials), then competitors can limit or overcome the effect of this advantage, but in the case of With multiple sources of advantage, it is difficult for competitors to imitate completely. (Abdul Raouf, 2007)

Third: Continuous development and renewal

Possessing a competitive advantage is not an important thing. Every economic unit can obtain a competitive advantage from any source, but the most important thing is to develop this advantage and maintain its uniqueness in order to avoid other economic units imitating or emulating it. (Abdel Banat, 2017).

The competitiveness of an economic unit can be measured through several indicators, the most important of which is the economic unit's strategy and direction to meet the external market demand through exports or external supply operations, as well as its profitability and

growth rate over a while. Therefore, the economic unit can obtain a share larger than the domestic and international markets.

Practical Side

First: A brief introduction to the Abu Ghraib Dairy Factory

The Abu Ghraib dairy factory was established in 1958, and it includes three main factories in Baghdad, Nineveh and Diwaniyah, while the Baghdad factory located in the Abu Ghraib area includes three major factories, which are the Al-Rafidain dairy factory, the Dijla factory for cooked cheese, and the Al-Furat factory for sterilized milk.

The Abu Ghraib dairy factory - located 20 km west of Baghdad - is considered one of the largest dairy factories in Iraq.

It requires a reference to the strategy under which the technology proposed by the researchers will be applied, as the re-positioning strategy expresses the reformulation and development of plans and proposals that lead to changing the image of the product, the brand, or the name of the factory in the minds of customers, by providing products that meet their needs and desires. Furthermore, one of the most important of these changes is the quality of the product, and from here, we must calculate the costs of quality that have an impact on the strength of the product in the market and its competitive strength.

Second: The extent of the impact of quality costs in the re-positioning strategy on the competitive advantage

To find out the effect of quality costs in the re-positioning strategy on the competitive advantage, a questionnaire was prepared based on the five-point Likert scale by means of the SPSS V.21 program to find out and analyze the results and use a simple linear regression model to measure the effect. The questionnaire was divided into three axes:

The first axis is the costs of quality.

The second axis is the re-positioning strategy.

The third axis is a competitive advantage.

The first axis included eight questions, the second axis had nine questions, and the third axis included eight questions. (150) questionnaires were distributed in the Abu Ghraib Dairy Factory, as the correct forms were (100) only, and the rest (27) were not returned from the users, and (23) A form that contained errors and was not approved, so it was neglected. Before distributing the questionnaire, the questionnaire was judged by professors specializing in accounting and statistics to ensure the integrity of the questionnaire construction, especially in the validity, safety and comprehensiveness of the questions for the subject under the questionnaire.

Third: the simple regression analysis method

The simple linear regression analysis model is one of the most widely used statistical analysis tools. The simple linear regression model is concerned with estimating the relationship between a quantitative variable, which is the dependent variable, and several other quantitative variables, which is the independent variable. Assuming that there is a dependent variable and an independent variable, the model can be formulated as follows:

$$y_i = \beta_0 + \beta_1 x_{1i} + \varepsilon_i$$

Since (y_i) is the dependent variable, (x_{1i}) is the independent variable, (ϵ_i) is the random error and (β_0) is a constant value that expresses the value of (y) when the values of (x_1) are equal to zero and (β_0, β_1) expresses for regression coefficients for the independent variables.

Fourth: Analysis of the impact of quality costs on competitive advantage

To study the effect of quality costs, an appropriate hypothesis must be set for it, as the hypothesis states (there is a significant effect of accounting for quality costs on the competitive advantage), as the quality costs variable contains (8) variables represented by $(x_1, x_2, x_3, \dots, x_8)$, which is an independent variable.

As for the dependent variable, it contains (8) variables, which are the competitive advantage $(y_1, y_2, y_3, \dots, y_8)$. In order to study the hypothesis, an appropriate model must be developed for the data, which accurately represents the problem of the study. Through Table No. (1) and the following:

$$R^2 = \frac{\sum \hat{y}_i^2}{\sum y_i^2} = \frac{SSR}{SST} = 1 - \frac{\sum u_i^2}{\sum y_i^2}$$

Sst = the sum of squares between groups and is known as the sum of squares of treatments.

Ssr = the sum of squares within groups, otherwise known as the sum of squares error.

$$R^2 = 1 - \frac{23.67}{1634} = 0.985$$

After measuring the effect of quality costs on the competitive advantage and choosing the best model for the data, it was found that the value of $(0.985 = R^2)$, which means (the coefficient for determining the best model), meaning that the independent variables explain (98%) affect the dependent variable (y) , meaning that the remaining It is considered a random error in choosing the specific answer, or it is attributed to unknown errors, as its value amounted to (2%). As for measuring the role of the relationship between variables, the value reached $(R = 0.992)$ through the Pearson correlation coefficient formula.

$$r = \frac{n \sum xy - (\sum x)(\sum y)}{\sqrt{(n \sum x^2 - (\sum x)^2)(n \sum y^2 - (\sum y)^2)}}$$

n = the number of pairs of degrees

$\sum xy$ = sum of the products of the double degrees

$\sum x$ = total score x

$\sum y$ sum of degrees = y

$\sum x^2$ sum = x squared

$\sum y^2$ = sum of y squared points

$$r = \frac{19.84}{\sqrt{10 \times 40}} = \frac{19.84}{\sqrt{40}} = \frac{19.84}{20} = 0.992$$

This indicates that the relationship is strong, as for the test value $(F = 19594.40)$, which studies the regression line fits the data and its null hypothesis of the regression model, which states (that the regression line fits the given data).

$$CF = \frac{(\sum x_{ij})^2}{n}$$

$$CF = \frac{(\sum x_{ij})^2}{n} = \frac{(176349.66)^2}{18} = \frac{352699.32}{18} = 19594.40$$

As the level of significance reached (0.000), which is less than (0.05), it indicates that there are no significant differences, that the model accurately represents the studied phenomenon, and that the regression line fits the given data, that is, the acceptance of the null hypothesis.

As for the coefficient (β), which represents the impact of quality costs on the competitive advantage at a significant level less than (0.05) after passing the (t) test, as its value reached (1.005), meaning that the relationship is direct and has a significant effect.

$$B = \frac{Cov(Ri, Rm)}{V Rm} = \frac{\sum P(Ri) * (Rm - E(Rm)) * (Ri - E(Ri))}{\sum P(Ri) * (Rm - E(Rm))^2}$$

$$B = \frac{112.01}{111.4} = 1.005$$

Table 1 THE RELATIONSHIP BETWEEN THE DEPENDENT VARIABLES OF COMPETITIVE ADVANTAGE (INDICATOR Y) AND THE INDEPENDENT VARIABLES OF QUALITY COSTS (INDICATOR X)									
model	(R) link	(R2) The coefficient of determination	(R) link rate	Std.The standard deviation of errors	Change status				
					R is the correct correlation coefficient	F calculated	df1 degree of freedom 1	df2 degree of freedom 2	Sig Moral level
1	0.992	0.985	0.985	0.31143	0.985	19594.407	1	99	0.000
Model		Non-standard transactions	The standard deviation of errors	Unified transactions	Beta	T calculated	Sig Moral level		
quality costs		1.005	0.007	0.997		139.980	0.000		

Source: The output of the results of the statistical analysis of the spss program.

It is noted from Table 1 that it showed a significant effect of the modern indicators combined in the use of accounting for quality costs, and this indicates that the responses of the research sample are positive in all phrases and that there is an effect of the variables of accounting for quality costs in achieving competitive advantage, and this proves the validity The hypothesis of the research (there is a significant effect of accounting for quality costs on the competitive advantage).

Fifth: Analyzing the impact of the re-positioning strategy on the competitive advantage

To study the impact of the re-positioning strategy, an appropriate hypothesis must be set for it, as the hypothesis states (there is a significant effect of the re-positioning strategy on the competitive advantage), as the re-positioning strategy variable contains (9) variables and is an independent variable.

The dependent variable contains (8) "variables, which are represented by the competitive advantage, and to study the hypothesis, it is necessary to develop the appropriate model for the data, which represents the problem of the study accurately, through Table No. (2) and the formula

$$R^2 = \frac{\sum \hat{y}_i^2}{\sum y_i^2} = \frac{SSR}{SST} = 1 - \frac{\sum u_i^2}{\sum y_i^2}$$

$$R^2 = 1 - \frac{7.67}{1634} = 0.995$$

It was found that the value of ($R^2 = 0.995$), which means (the coefficient for determining the best model), meaning that the independent variables explain (99%) affect the dependent variable (y), meaning that the remainder is considered random errors in choosing the specific answer or is attributed to errors It is not known as its value amounted to (1%). As for measuring the role of the relationship between the variables, the value was ($R = 0.997$) through the Pearson correlation coefficient formula.

$$r = \frac{n \sum xy - (\sum x)(\sum y)}{\sqrt{(n \sum x^2 - (\sum x)^2)(n \sum y^2 - (\sum y)^2)}}$$

$$r = \frac{19.95}{\sqrt{10 \times 40}} = \frac{19.95}{\sqrt{40}} = \frac{19.95}{20} = 0.997$$

This indicates that the relationship is strong, as for the value of the test ($F = 18181.426$), which studies the regression line fit the data and its null hypothesis of the regression model, which states (that the regression line fits the given data).

$$CF = \frac{(\sum x_{ij})^2}{n}$$

$$CF = \frac{(\sum x_{ij})^2}{n} = \frac{(163632.83)^2}{18} = \frac{327265.66}{18} = 18181.426$$

As the level of significance reached (0.000), which is less than (0.05), it indicates that there are no significant differences, that the model accurately represents the studied phenomenon, and that the regression line fits the given data, i.e., accepting the null hypothesis.

As for the coefficient (β), which represents the effect of each variable of the re-positioning strategy on the competitive advantage, its value was (1.010) at a significant level less than (0.05) after passing the (t) test, meaning that the relationship is direct and has a significant effect.

$$B = \frac{Cov(Ri , Rm)}{V Rm} = \frac{\sum P(Ri) * (Rm - E(Rm)) * (Ri - E(Ri))}{\sum P(Ri) * (Rm - E(Rm))^2}$$

$$B = \frac{112.01}{111.4} = 1.005$$

Table 2 The relationship between the dependent variables of competitive advantage (indicator Y) and the independent variables of the re-positioning strategy (indicator X)									
model	(R) link	(R2) The coefficient of determination	(R) link rate	Std.The standard deviation of errors	Change status				
					R is the correct correlation coefficient	F calculated	df1 degree of freedom	df2 degree of freedom	Sig Moral level
1	.997	.995	.995	.33674	.995	18181.426	1	99	.000
Model	Non-standard transactions		Unified transactions		T calculated	Sig Moral level			
	B	The standard deviation of errors	Beta						
quality costs	1.010	.007	.997		134.839	.000			

Source: The output of the results of the statistical analysis of the spss program.

It is clear from the results of Table 2 that there is a significant effect of these modern indicators combined on the use of the re-positioning strategy, and this indicates that the responses of the Abu Ghraib Dairy Factory are positive in all statements and that there is an impact of the variables of the re-positioning strategy in achieving the competitive advantage, and this is what The research hypothesis is validated (there is a significant effect of the re-positioning strategy on the competitive advantage).

At the end of the research, the importance of using costing techniques in rationalizing the costs of factory products becomes clear, and achieving competitive dimensions through which you can re-position and distinguish from other competing products, with the aim of achieving the re-positioning strategy that is the subject of study and analysis, where the use of the target costing technique leads to differentiation through cost. The lowest for factory products (after cost), thus providing those products with competitive prices that were approved based on the prices of competing goods in the market. The use of the quality costing technique leads to differentiation through the quality of products (after quality). In addition to rationalizing factory costs based on the quality cost report and based on what was mentioned, products that are characterized by high quality and new competitive prices will be presented, with the aim of acquiring a market share, and this is called gradual re-positioning, which is making adjustments to products in terms of price and quality in order to reduce the gap Between the requirements of customers and the products offered by the factory, where new products that are different from the factory products are not presented, or entry into new business operations or new markets, and this is called radical re-positioning.

CONCLUSIONS

The conclusions reached by the researchers include, as shown in the following:

- a) The management of Abu Ghraib Dairy suffers from weaknesses in developing plans and strategies, especially the re-positioning strategy, as a competitive strategy was not analyzed, researched, or approved during the study year and previous years.
- b) No developed or factory-specific systems are followed when classifying costs, but only for regulatory requirements.
- c) The factory does not focus on technology but relies on labor intensity, as the number of workers in 2020 reached (2957).
- d) Factory managers work hard to provide products that meet high-quality specifications through follow-up by the Standardization and Quality Control Department, which conducts raw material surveys before production starts and product surveys during production.
- e) The factory suffers from a severe weakness in the activities of advertising, promotion and distribution of its products, which negatively affects the level of sales.
- f) Failure to efficiently utilize the available production capacities for factory products.

RECOMMENDATIONS

After the conclusions, a number of recommendations will be presented as follows:

- a) It is necessary for the factory management to research and analyze plans and strategies to keep abreast of the changes and developments that occur in the local and regional environment.
- b) Given its importance in rationalizing factory costs, a reorganization strategy is required to gain a competitive advantage.
- c) In the current work environment, gradual change is best for the laboratory, as the current products have evolved through quality and price.

- d) Factories need to follow an advanced costing system, which facilitates the process of calculating and measuring cost data.
- e) The use of quality cost estimation techniques is appropriate due to its importance in identifying and measuring costs related to quality so that these costs can be rationalized to help make administrative decisions.
- f) Adding a quality department or unit in the organizational structure of the factory and educating employees about the concept of quality and its cost.

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