

PRODUCT CONCEPTS

CHAPTER

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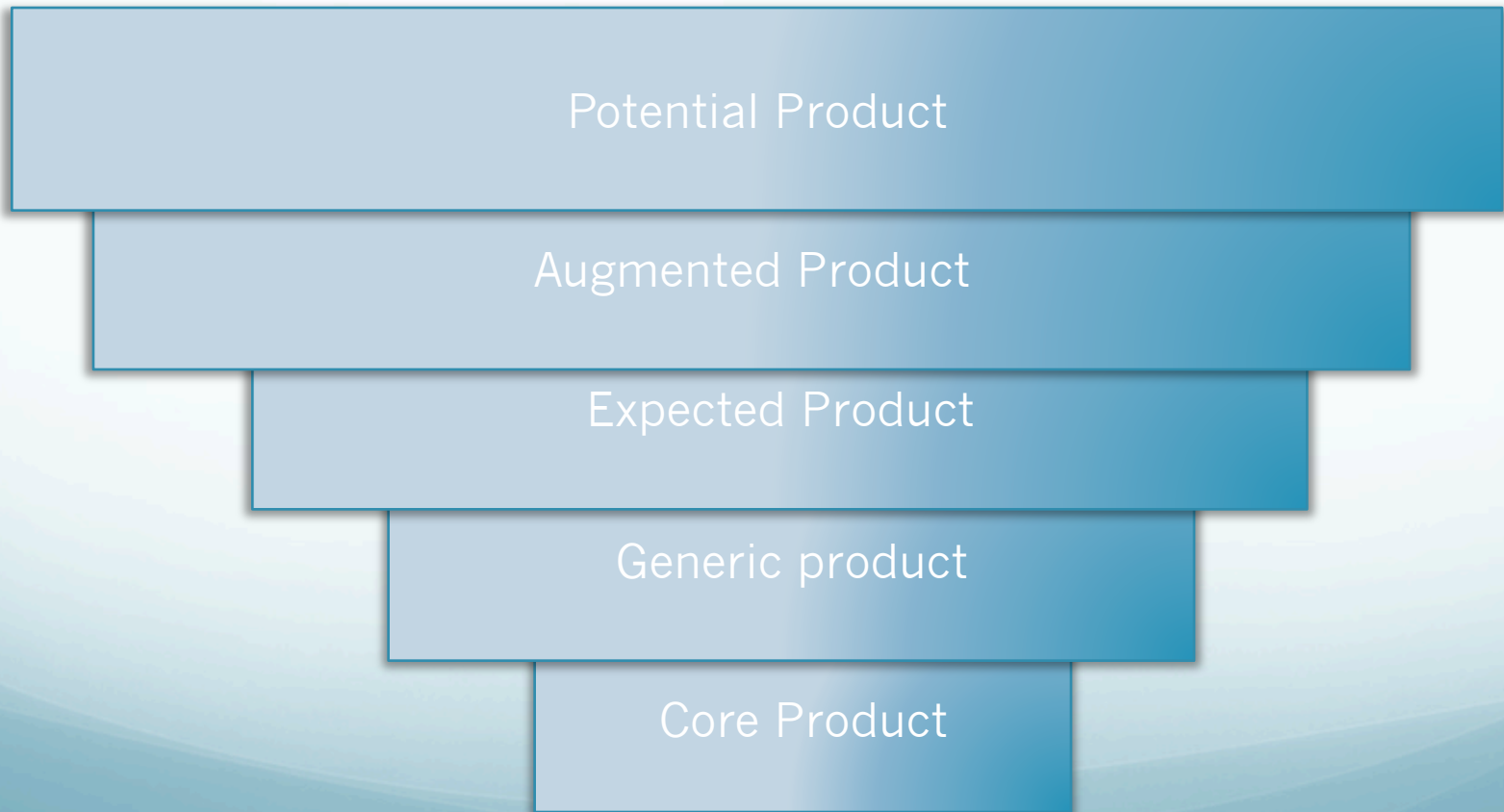
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PRODUCT

- Anything which is tangible or intangible, that's of value to customer and can be offered through a voluntary marketing exchange.
- Here anything can be good, service, experience or an idea.
- This anything should have some value in the eyes of customer.
- Customer obtain bundle of satisfaction as a result of making purchase.

LEVELS OF PRODUCT

- The different levels of products are-

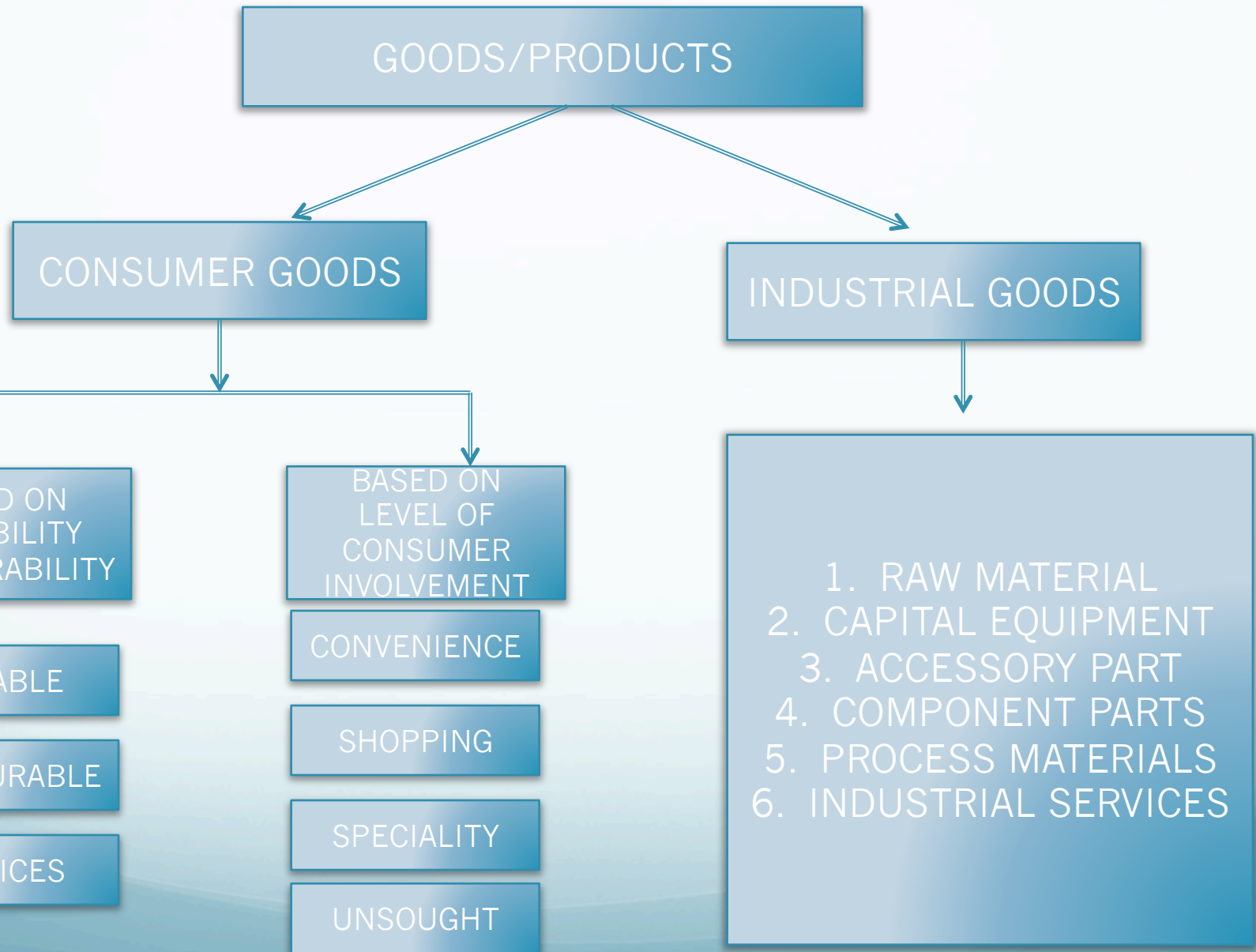


IMPORTANCE OF PRODUCT

- Need Satisfier/ Problem Solver
- Product is main element as it justifies other elements of marketing mix.
- Through product offering any organisation gets recognition in the market.
- Product helps the organisation to face competition- it's features, design ,style etc.
- Product is revenue earner for organisation.

<https://youtu.be/OnJw77ctzRA>, <https://youtu.be/o3lQ1JrXnV8>
<https://youtu.be/kpLaLfvVp4A> <https://youtu.be/gDDyB8M4oHA>

CLASSIFICATION OF PRODUCTS



PRODUCT DECISIONS

- Any company don't rely on single product for profit and thus they take **product line** and **product mix** decisions to sustain their business.

PRODUCT MIX OF ITC- Product Mix Length, Product Mix Width, Product Mix Depth, Product Mix Consistency.

HOTELS AND TOURISM	LIFE-STYLE APPARELS	EDUCATION & STATIONERY	FOOD PRODUCTS	PERSONAL CARE PRODUCTS
1. 5 STAR HOTELS	1. WILLS LIFESTLYE	1. CLASSMATE REGISTERS	1. READY TO EAT FOODS	1. SHAMPOOS
2. HERITAGE PALACES	2. JOHN PLAYERS	2. EXPRESSIONS GREETING CARDS	2. AASHIRVAD ATTA SPICES	2. SOAPS
3. RESORTS			3. SUNFEAST BISCUITS PASTAS	3. CONDITIONER S
				4. FIAMA-DI-WILLS
				5. VIVEL ULTRAPRO

CASE STUDY- Product Line decision at Kellogg's

- With annual sales of more than 4.5 billion Euros, Kellogg's is the world's leading producer of cereal products and convenience foods, such as cookies, crackers and frozen waffles. Its brand includes Corn Flakes, Nutri-Grain and Rice Krispies. Kellogg's is a global organisation. Its products are manufactured in 19 countries worldwide and sold in more than 180 countries.

A few years ago, Kellogg's decided to add new product variants in its market. Special K was added to product mix for people who wanted to lose weight. Although Special K became a well established brand but it never reached its full potential. It was viewed as a stand alone product and Kellogg's had not created any variants or brand extension to develop the core product. Initial developments came from Kellogg's in France who introduced red berries into cereal. This new product performed well. Market research in the UK, including consumer tests, also identified a real opportunity within UK market. In October 1999, Kellogg's launched Special K red berries in the UK. From the outset it performed well, with very little damage to the core brand, most sales were additional and customers didn't swap with old product for the new variant.

Questions

1. Do you think Kellogg's Special K will be well accepted in India?
2. Addition of red berries in the special K Kellogg's Cornflakes is an example of product line consistency or product line depth?

BRANDING, PACKAGING, LABELING, AFTER SALES SERVICE

- **Brand** is a name, term, sign, symbol, design or their combination which identifies a seller's product and differentiates them from their competitors' products.

e.g- Maruti- passenger car, Cadbury- Chocolate.

- **Packaging** includes all those activities that focus on development of a container for a product.
- **Labeling** includes all the vital information about the product and seller.
- **After sale service**- Which are provided by the company for the product after its sale to the customer in order to build customer relation and ensure customer delight.

BRANDING

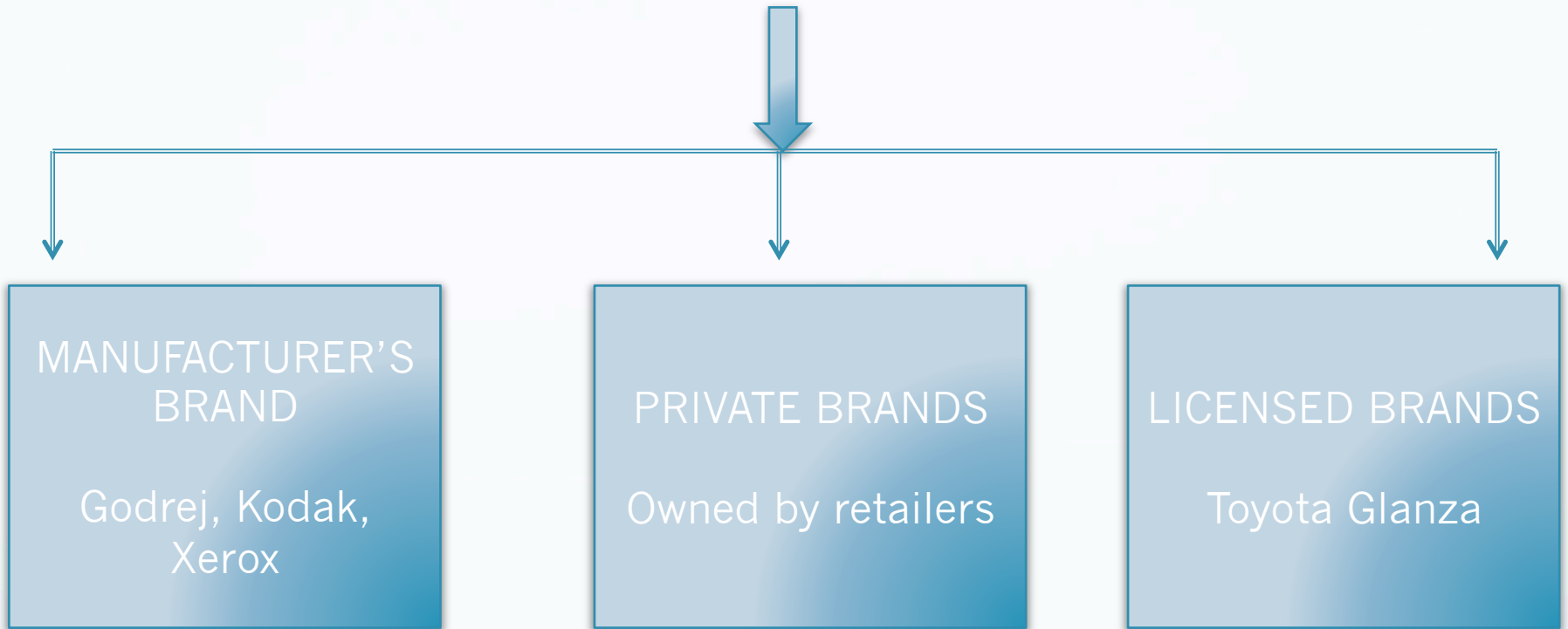
- **Brand Name-** Part of a brand that can be spoken. It may consist of words or letters or numbers.
- **Brand Mark-** Part of brand that is symbol or design.
- **Trade Mark-** Legal counterpart of brand indicating owner's exclusive right to use a brand.
- **Trade Name-** Full and legal name of the firm.
- MARUTI UDYOG LIMITED.



SIGNIFICANCE OF BRANDING

1. Brands facilitate purchasing.
2. It establishes loyalty.
3. Enables introduction of new products- new phones under one brand.
4. Helps to face competition
5. It reduces marketing costs
6. Impacts market value.
7. Helps in differentiating among products.
8. Provides strong credibility and respect.
9. It offers feeling of prestige.
10. It is an asset.

TYPES OF BRANDS



DESIRABLE QUALITY OF BRAND NAMES

- Should suggest product benefit. No marks, hajmola etc.
- Should suggest product or service category.
- It should be simple and easy to spell, pronounce, recognise and remember.
- The name should be distinctive.
- Name should not resemble negative association in other languages or country.