

**ESPN**

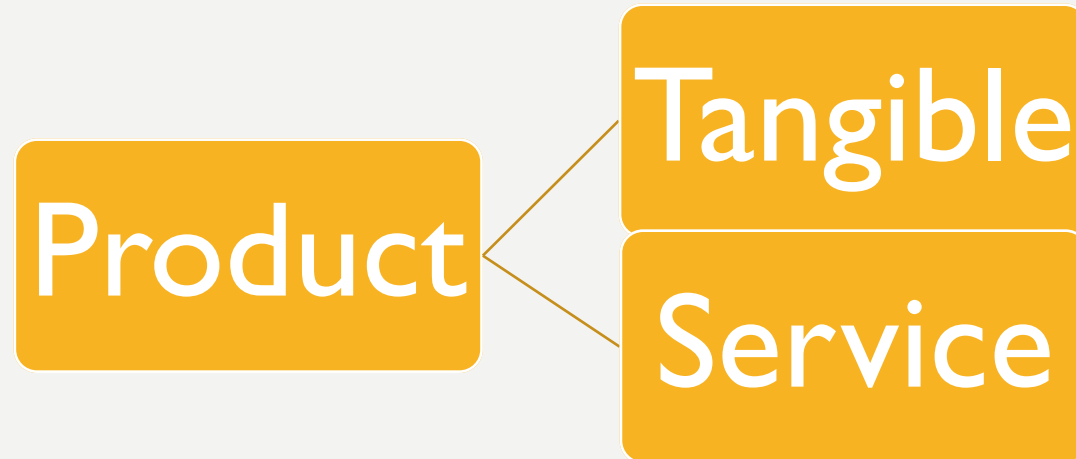




**WHAT IS PRODUCT ?**



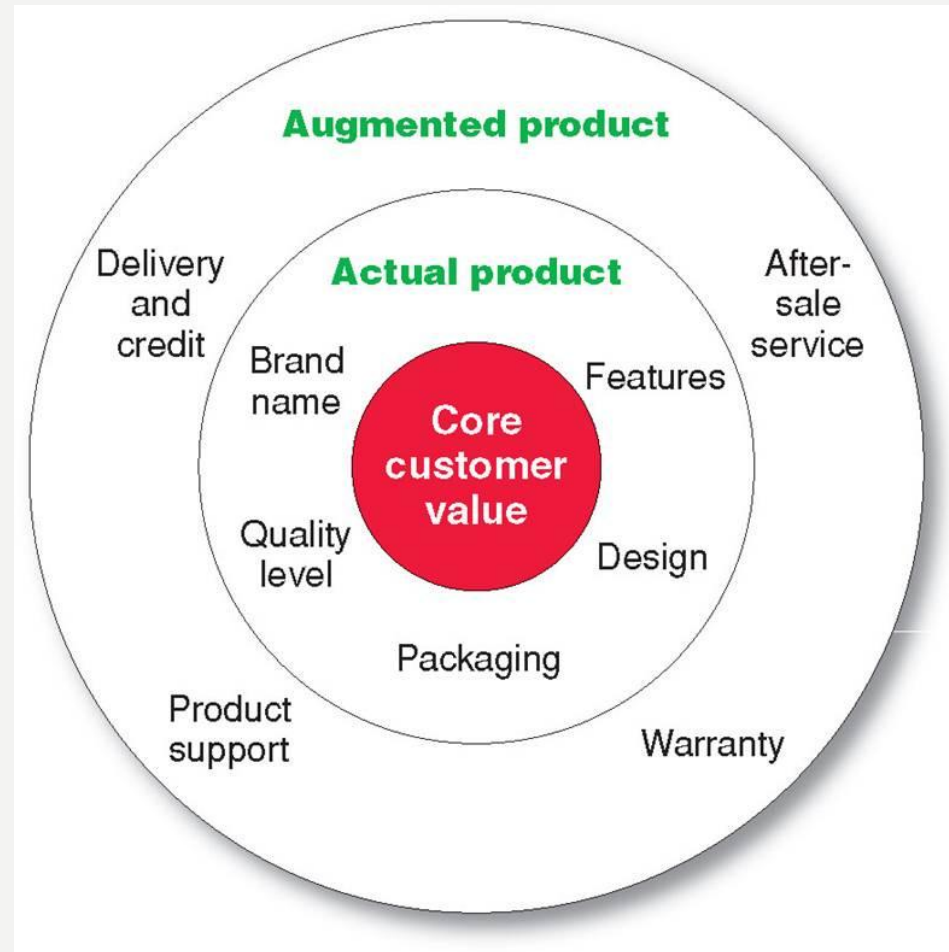
Product → anything that can be offered to a market



# PRODUCT , SERVICE , AND EXPERIENCES



# LEVELS OF PRODUCT AND SERVICE



# PRODUCT AND SERVICE CLASSIFICATIONS

- Consumer product
  1. Consumer product
  2. Convenience product
  3. Shopping product
  4. Specialty product
  5. Unsought product



- Industrial product

a product bought by individuals and organizations for further processing or for use in conducting a business

# PRODUCT AND SERVICE DECISIONS

Marketers make product and service decisions at three levels:

- individual product decisions,
  - product line decisions
  - product mix decisions.

# INDIVIDUAL PRODUCT DECISIONS

There are five decisions :

| Product Attributes   | Branding   | Packaging   | Labeling  | Product Support Services  |
|--|--|---|---|---|
| <ul style="list-style-type: none"><li>• Develop product and services involve define the benefits will be offer</li><li>• Such as quality, features, style and design</li></ul> | <ul style="list-style-type: none"><li>• name, term, sign, symbol, or design, or a combination of these</li><li>• to identifies the product or services</li></ul> | <ul style="list-style-type: none"><li>• The activities of designing and producing the container or wrapper for a product.</li></ul> | <ul style="list-style-type: none"><li>• identifies the product or brand</li><li>• describe several things about the product</li><li>• promote the brand, support its positioning, and connect with customers.</li></ul> | <ul style="list-style-type: none"><li>• Support services are an important part of the customer's overall brand experience</li></ul> |

# PRODUCT **LINE** DECISIONS

A **product line** is a group of products that are closely related because they function in a similar manner, are sold to the same customer groups, are marketed through the same types of outlets, or fall within given price ranges.

A company can expand its product line in two ways:

- **line filling**, product line filling involves adding more items within the present range of the line
- **line stretching**, product line stretching occurs when a company lengthens its product line beyond its current range.

# PRODUCT MIX DECISIONS

All the product lines and items that a particular seller offers for sale. A company's product mix has four important dimensions :

| width   | length   | depth   | consistency  |
|---|--|---|--|
| <ul style="list-style-type: none"><li>• the number of different product lines the company carries</li></ul> | <ul style="list-style-type: none"><li>• the total number of items a company carries within its product lines</li></ul> | <ul style="list-style-type: none"><li>• the number of versions offered for each product in the line</li></ul> | <ul style="list-style-type: none"><li>• how closely related the various product lines are in end use, production requirements, distribution channels, or some other aspect</li></ul> |

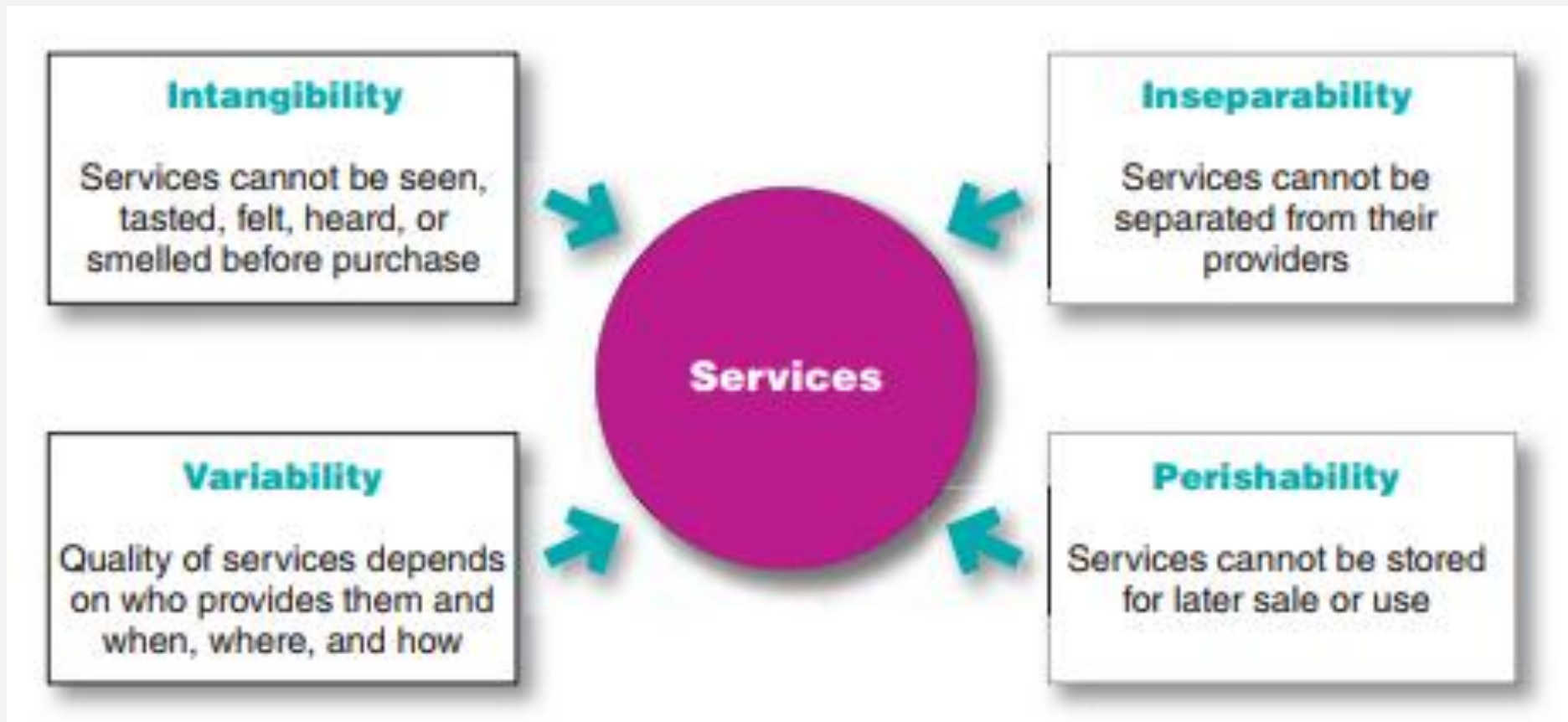


**SERVICES**

**MARKETING**



# THE NATURE AND CHARACTERISTICS OF A SERVICE



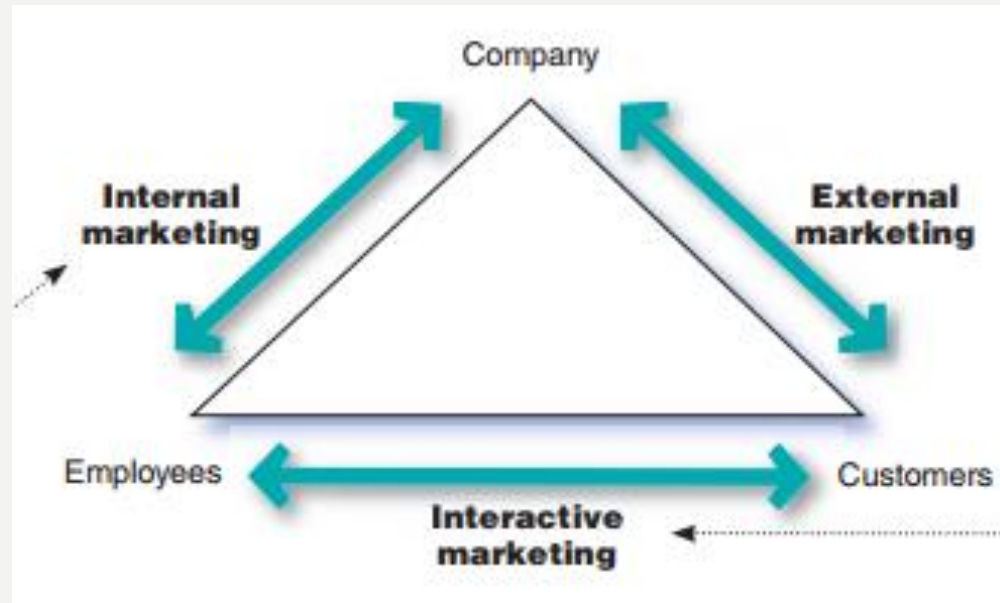
# MARKETING **STRATEGIES** FOR SERVICE FIRMS

## The **Service** Profit Chain

This chain consists of five links:

- Internal service quality
- Satisfied and productive service employees.
  - Greater service value.
  - Satisfied and loyal customers.
- Healthy Service Profits and Growth





# **MANAGING SERVICE DIFFERENTIATION**

To the extent that customers view the services of different providers as similar, they care less about the provider than the price. The solution to price competition is to develop a differentiated offer, delivery, and image.



**MANAGING**  
**SERVICE**  
**QUALITY**



**MANAGING  
SERVICE  
PRODUCTIVITY**



# **BRANDING STRATEGY**

**BUILDING STRONG BRANDS**

**“IF THIS BUSINESS WERE SPLIT UP, I  
WOULD GIVE YOU THE LAND AND BRICKS  
AND MORTAR, AND  
I WOULD KEEP THE BRANDS AND  
TRADEMARKS, AND I WOULD FARE  
BETTER THAN YOU.”**

**JOHN STEWART, FORMER CEO OF QUAKER OATS,**

## Brand Equity

differential effect that knowing the brand name has on customer response to the product and its marketing.

## Brand Value

the total financial value of a brand.

# FOUR CONSUMER PERCEPTION DIMENSIONS

1. Differentiation (what makes the brand stand out)
2. Relevance (how consumers feel it meets their needs)
3. Knowledge (how much consumers know about the brand)
4. Esteem (how highly consumers regard and respect the brand).





\$185 billion



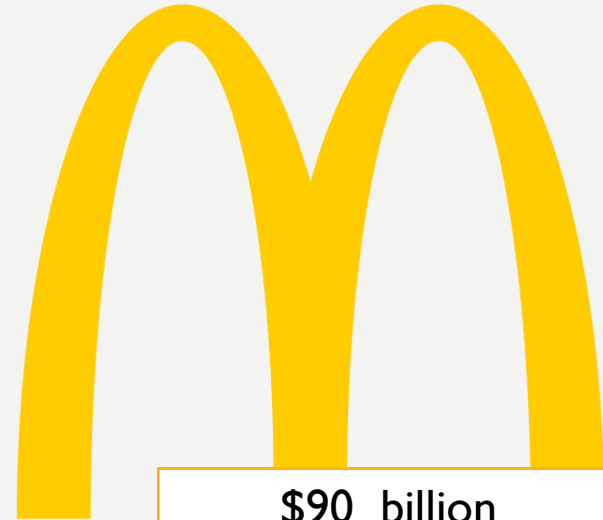
\$112.5 billion



\$78.4 billion



\$113.6 billion



\$90 billion



# **BUILDING STRONG BRANDS**



- Attributes
- Benefits
- Beliefs and values



- Selection
- Protection



- Manufacturer's brand
- Private brand
- Licensing
- Co-branding



- Line extensions
- Brand extensions
- Multibrands
- New brands

# BRAND POSITIONING

- Product Attributes

P&G invented the disposable diaper category with its Pampers brand. Early Pampers marketing focused on attributes such as fluid absorption, fit, and disposability.

- Benefit

- Pampers can go beyond technical product attributes and talk about the resulting containment and skin-health benefits from dryness.

- Beliefs and Values

- Engaging customers on a deep, emotional level.

# BRAND NAME SELECTION

Desirable qualities for a brand name include the following:

- (1) It should suggest something about the product's benefits and qualities
- (2) It should be easy to pronounce, recognize, and remember:
  - (3) The brand name should be distinctive:
    - (4) It should be extendable
- (5) The name should translate easily into foreign languages.
- (6) It should be capable of registration and legal protection.

# BRAND SPONSORSHIP

Four sponsorship options. The product may be launched as

- National brand (or manufacturer's brand)
- Private brand (also called a store brand or distributor brand).
  - Licensing
  - Co-Branding



*P&G*

ARMANI

STAR  
WARS

CK  
Calvin Klein

LICENSING



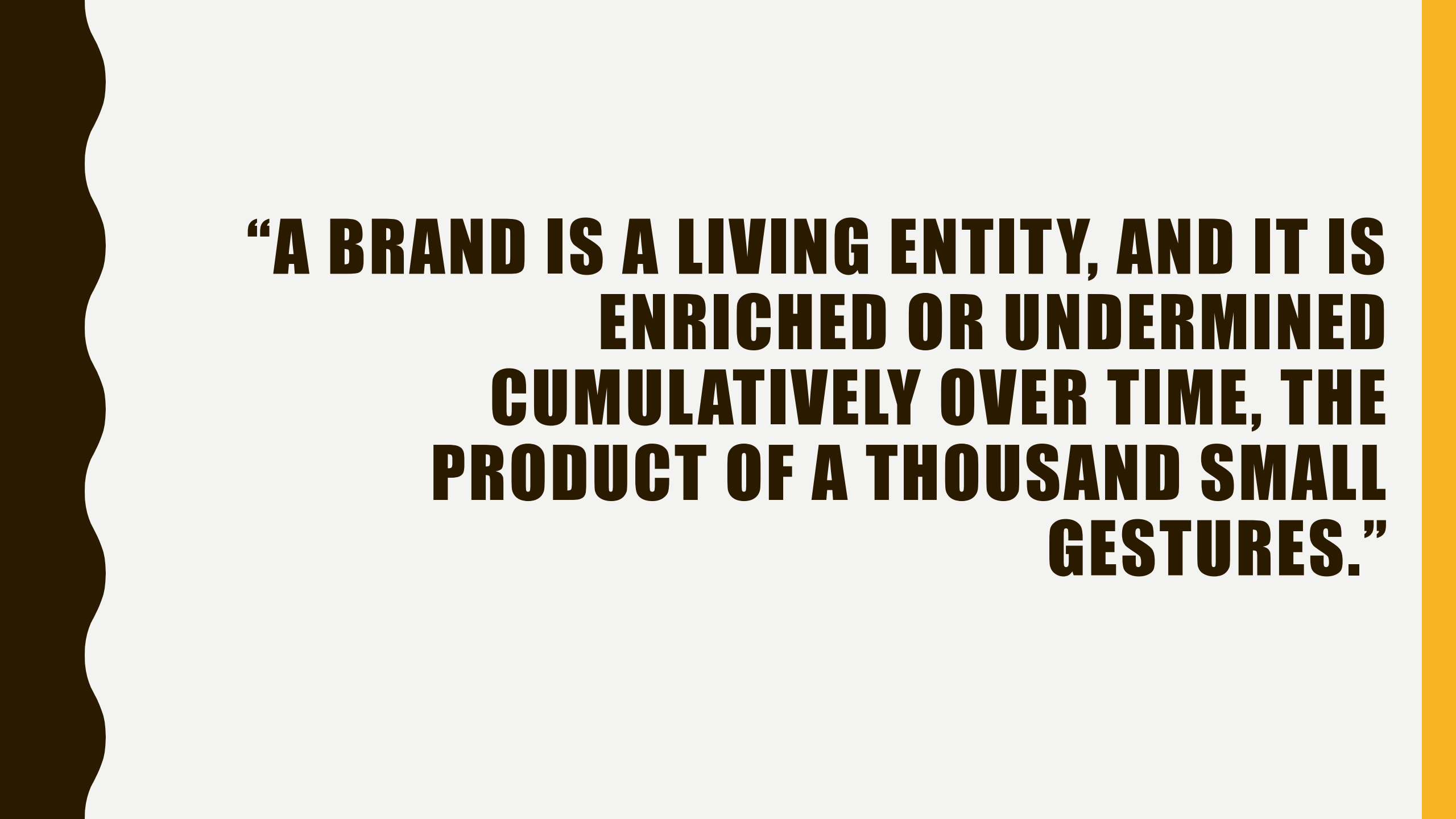


# BRAND DEVELOPMENT

- Line Extensions : Occur when a company extends existing brand names to new forms, colors, sizes, ingredients, or flavors of an existing product category.
- Brand extension : Extending an existing brand name to new product categories.
- Multibrands : Companies often market many different brands in a given product category.
- New Brands. A company might believe that the power of its existing brand name is waning, so a new brand name is needed. Or it may create a new brand name when it enters a new product category for which none of its current brand names are appropriate.

|          |                |                 |
|----------|----------------|-----------------|
|          | Existing       | New             |
| Existing | Line extension | Brand extension |
| New      | Multibrands    | New brands      |

This is a very handy framework for analyzing brand development opportunities. For example, what strategy did Toyota use when it introduced the Toyota Camry Hybrid? When it introduced the Toyota Prius? The Scion?



**“A BRAND IS A LIVING ENTITY, AND IT IS  
ENRICHED OR UNDERMINED  
CUMULATIVELY OVER TIME, THE  
PRODUCT OF A THOUSAND SMALL  
GESTURES.”**

# QUESTION :

- Shalsa : Kenapa banyak perusahaan memilih Product Line?
- Barqi : Apa benar brand yang panjang dan kurang jelas menghambat marketing?
  - Apakah di Jasa ada hal packaging??
- Risa : Bagaimana menentukan standar produk sebuah jasa?