



FUNDAMENTALS OF PRODUCT MANAGEMENT

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Bcom S2- Marketing Management



PRODUCT



LEVELS OF PRODUCT

1. Core product
2. Basic product
3. Expected product
4. Augmented product
5. Potential product

Classification of products or Goods

Non –Durable Goods

Durable Goods

Classification based on consumption

- Consumer goods
- Industrial goods

Classification of Consumer goods

- Convenience goods
- Shopping goods
- Speciality goods
- Unsought goods



Classification of FMCG

- Staple goods
- Impulse goods
- Emergency goods

Other Classification

- Brown goods
- White goods
- Red goods
- Orange goods
- Yellow goods

Stages in New product development

- Generating product ideas
- Screening of ideas
- Concept development and testing
- Business analysis
- Product development
- Market testing
- Commercialisation(Product launch)

Role of Packaging

- Protection
- Convenience
- Promotion
- Identification
- Branding
- Information

Advantages of Packaging

Advantages to marketer

1. Protects the products from being damaged
2. Promotes product
3. Facilitates storage & transportation
4. Helps in branding
5. Enhances goodwill
6. Acts as silent salesman

Advantages to middlemen

- Facilitates storage & transportation
- Easy display
- Keeps the product fresh and Clean
- Self Advertising

Advantages to Consumer

- Convenient handling
- Less possibility of adulteration
- Information regarding use and upkeep
- Easy identification

Requisites of a good Package

1. A package should suit to the product
2. It must protect the contents
3. It must meet the requirements of different segments of consumers
4. It must be Attractive
5. It must be durable
6. Its cost should be reasonable

Kinds of labels

- Brand label
- Grade label
- Descriptive label
- Information label

Advantages of Labelling

- Identifies the product or brand
- Announces product description and useful information
- Grades the product
- Contains the prices of the product
- Helps advertising

Disadvantages of Labelling

- No use to the illiterate people
- Increases the cost of the product
- Effective only where standardisation is necessary
- Helps the customers to compare the merits and demerits of the product

Ways of product or service differentiation

- Benefits
- Design
- Price
- Quality
- Customer service
- Availability

Difference between brand & Trademark

- **Brand**

- 1. Name Symbol, design or combination of these three**
- 2. Can be copied**
- 3. Limited scope**
- 4. All brands are not trademarks**
- 5. Generally a symbol of the qualities of the trademark**

- **Trade mark**

- 1. Registered Brand**
- 2. Cannot be copied**
- 3. Wide Scope**
- 4. All trademarks are brands**
- 5. Generally a symbol of its company**

Essentials or Characteristics of good brand

- **Simple and easy to pronounce**
- **Memorable**
- **Attractive to the eyes and pleasing to ears**
- **Necessary suggestion about the product benefits**
- **Name should be appropriate and suitable to the product**
- **Suggest some product quality**
- **Illustrative and clearly distinctive from other brands**
- **Should not be outdated**

Types of Brands

- Manufacturer brands
- Private distributor brands
- Generic brands
- Family brands
- Individual brands
- Co-brands
- Licensed brands

Advantages of Branding


- Advantages To manufacturers
 1. It helps maintaining individuality for the product
 2. It enables producers to popularise the product easily
 3. It creates goodwill for the product
 4. Manufacturers can directly control the prices of articles
 5. By branding the product ,Market expenses can be reduced
 6. It widens the market of the product
 7. It facilitates introduction of new products
 8. It creates brand loyalty

ADVANTAGES TO CONSUMERS

1. It helps evaluating the quality of products
2. It helps in preventing adulteration of goods by middlemen
3. Branded goods are sold in sealed packages –gives protection to the goods from heat, moisture ,dust etc
4. Consumers get products of uniform standard and design
5. It enables the consumers to make easy buying
6. It assures fixed prices to consumers



Advantages to Distributers

- 1. It reduces the selling efforts**
 - 2. IT helps in advertising in sales promotion programmes.**
 - 3. There is a stability in the prices of branded products.**
 - 4. Reduces cost of business**
 - 5. Helps to find out quick moving products easily**
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Branding

- **Giving a distinct name or mark to a product for easy identification**
- **Done for manufactured goods**
- **Create special demand**
- **No need of standardisation**
- **Done by using name, symbol, mark etc**

Grading

- **Physical process of dividing goods into uniform lot for standardisation**
- **Done for agricultural goods**
- **Widen the market**
- **Grading usually follows Standardisation**
- **Done on the basis of size, shape, colour, weight etc**

Products

- **Made by company**
- **Made by the company in the factory and purchased by a customer in exchange for money**
- **Can be copied by competitors at any time**
- **Can become obsolete**
- **Instantly meaningful and useful to customers**
- **Perform a function**
- **Customers don't fall in love with product**
- **Fulfill need**

Brands

- **Made by customers**
- **Built through customer perception, expectation and experiences**
- **Cannot copied by competitors**
- **Can be timeless**
- **Meaningless until customers have a chance to experience it, build trust with it and believe in it**
- **Offer an emotion**
- **Customers fall in love with brand**
- **Fulfill want**