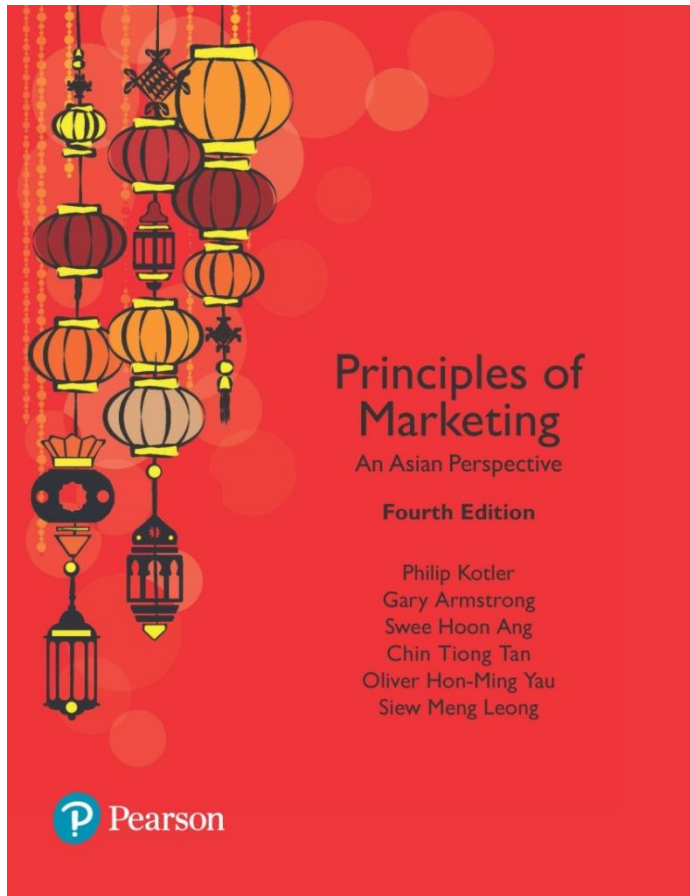


Principles of Marketing: An Asian Perspective

Fourth Edition



Chapter 8

Products, Services, and Branding Strategy

Outline

1. Products and service classifications
2. Product and service decisions
3. Branding strategy
4. Services marketing

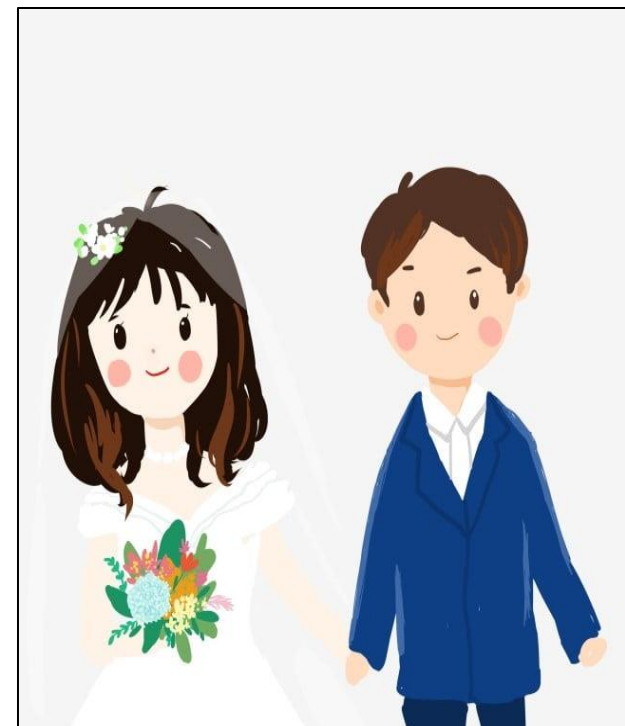
Product definition

Product:

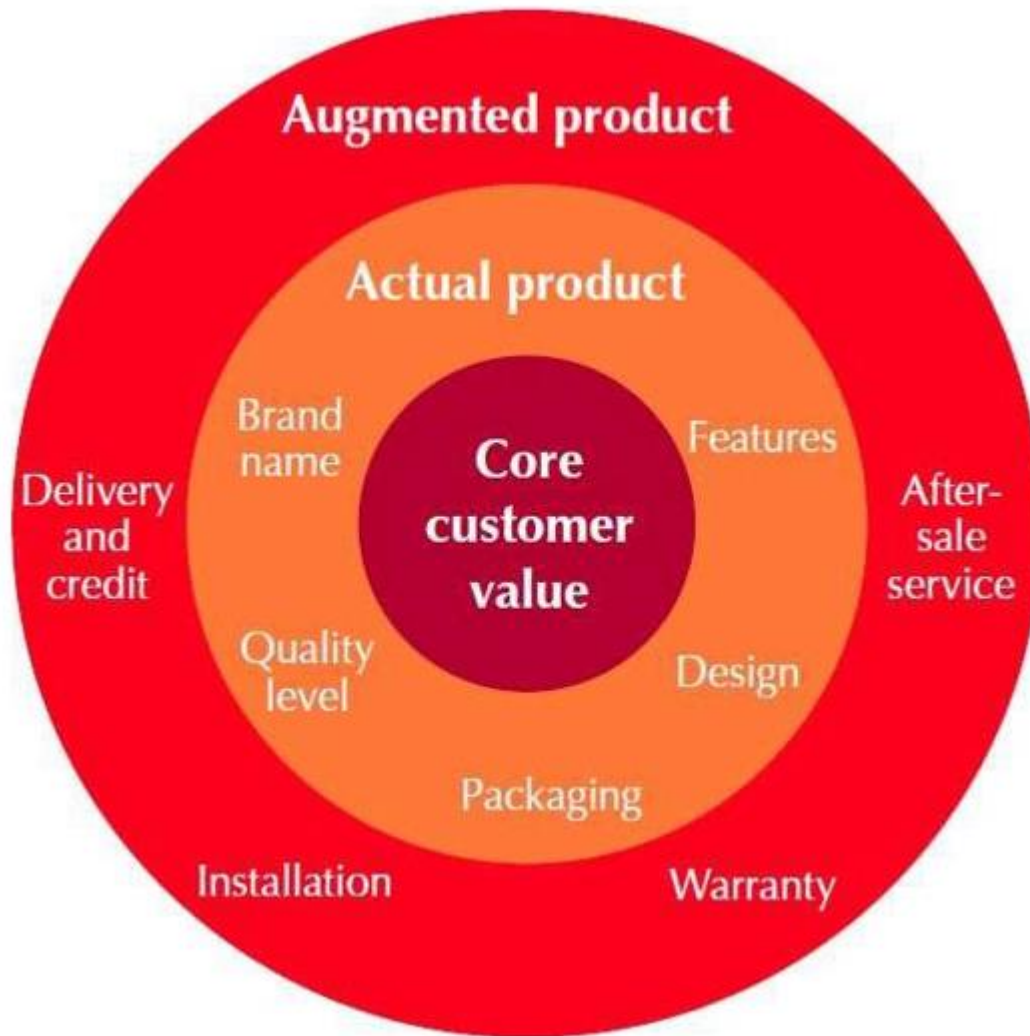
- anything that can be offered in a market for attention, acquisition, use, or consumption that might satisfy a need or want.

Service:

- a product that consists of activities, benefits, or satisfactions and that is essentially intangible and does not result in the ownership of anything.



Three Levels of Product



1. Product and Service Classifications

Consumer products

- products and services bought by final consumers for personal consumption.

Industrial products

- products purchased for further processing or for use in conducting a business.

Four types of Consumer products

Marketing Considerations	Type of Consumer Product			
	Convenience	Shopping	Specialty	Unsought
Customer buying behavior	Frequent purchase, little planning, little comparison or shopping effort, low customer involvement	Less frequent purchase, much planning, and shopping effort, comparison of brands on price, quality, style	Strong brand preference and loyalty, special purchase effort, little comparison of brands, low price sensitivity	Little product awareness, knowledge (or if a little or even negative interest)
Price	Low price	Higher price	High price	Varies
Distribution	Widespread distribution, convenient locations	Selective distribution in fewer outlets	Exclusive distribution in only one or a few outlets per market area	Varies
Promotion	Mass promotion by the producer	Advertising and personal selling by both producer and resellers	More carefully targeted promotion by both producers and resellers.	Aggressive advertising and personal selling by producers resellers
Examples	Toothpaste, magazines, laundry detergent	Major appliances, televisions, furniture, clothing	Luxury goods, such as Rolex watches or fine crystal	Life insurance Red Cross blood donations

Industrial products

Industrial Products & Services



Raw materials

Manufactured
materials & parts

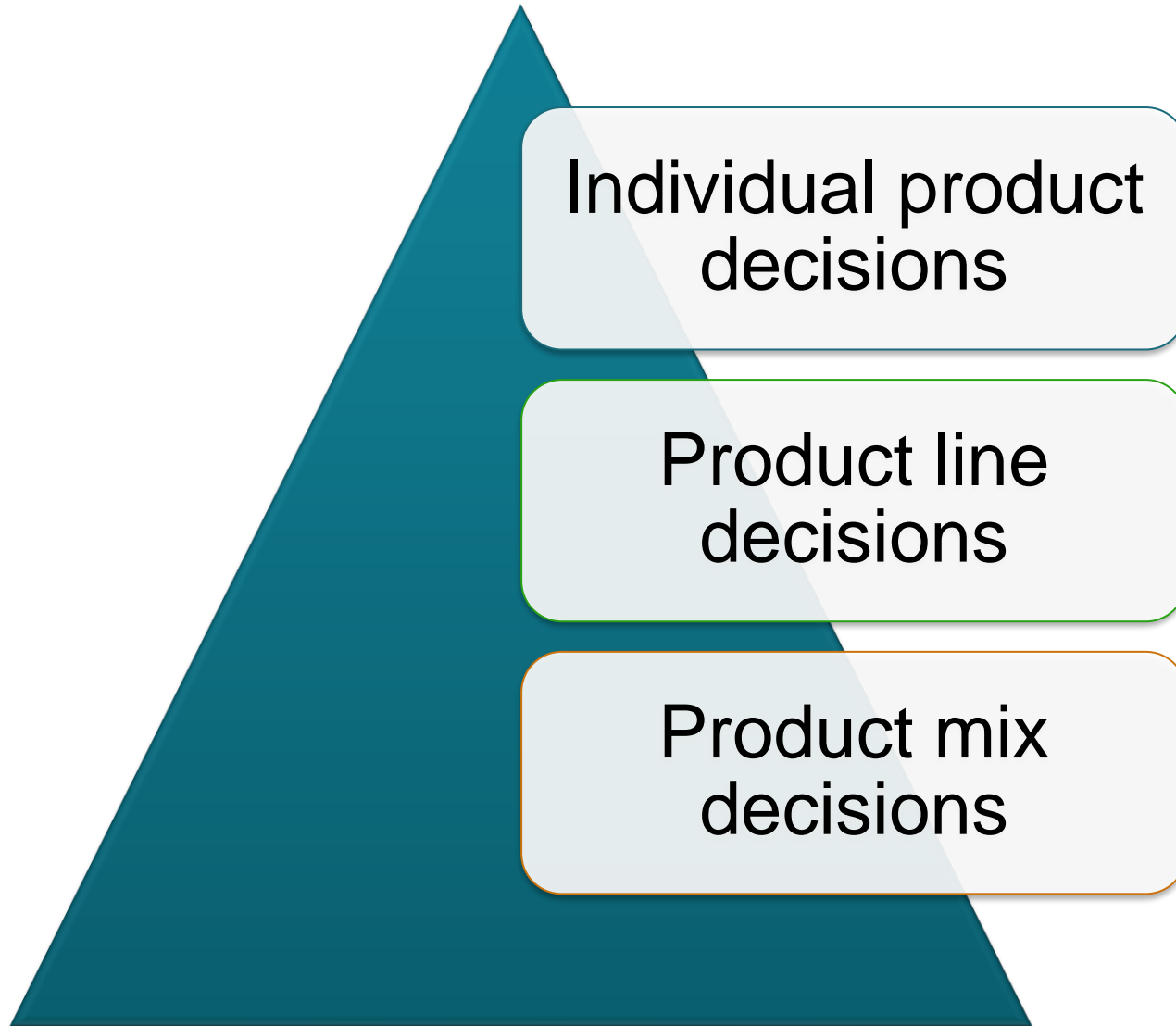
Operating supplies

Repair &
maintenance items

Installations

Accessory equipment

2. Product and service decisions



Individual product decisions



Product attributes

Quality, features, style and design



Branding

Brand is the name, term, sign, or design or a combination of these



Packaging

Design and produce the container or wrapper for a product.



Labeling

Identify the product or brand, describe attributes, and provide promotion.



Product support services

augment actual products.

Phát triển sản phẩm mới: Nước uống có ga hương trái cây La Vie



<https://www.brandsvietnam.com/congdong/topic/20484-Phat-trien-san-pham-moi-2-Nuoc-uong-co-ga-huong-trai-cay-La-Vie>

Serum G.G.G: Tối giản bao bì – Tối ưu chi phí



<https://www.brandsvietnam.com/congdong/topic/321071-Phat-trien-san-pham-moi-5-Serum-G-G-G-Toi-gian-bao-bi-Toi-uu-chi-phi>

Concept sản phẩm mới - Cafe viên nén



<https://www.brandsvietnam.com/congdong/topic/15857-Case-Study-Phan-tich-concept-san-pham-moi-Cafe-vien-nen>

Product line decisions

- **Product line:** 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.
- **Product line length:** number of items in the product line.
- Line stretching vs. Line filling

Example of product line



Toyota →
several lines of
cars.



Apple →
smartphone,
tablets,
operating
system, ...



Colgate
Palmolive →
several lines of
toiletries.



CocaCola → a
whole range of
soft drinks to
just water.

Product Mix Decisions

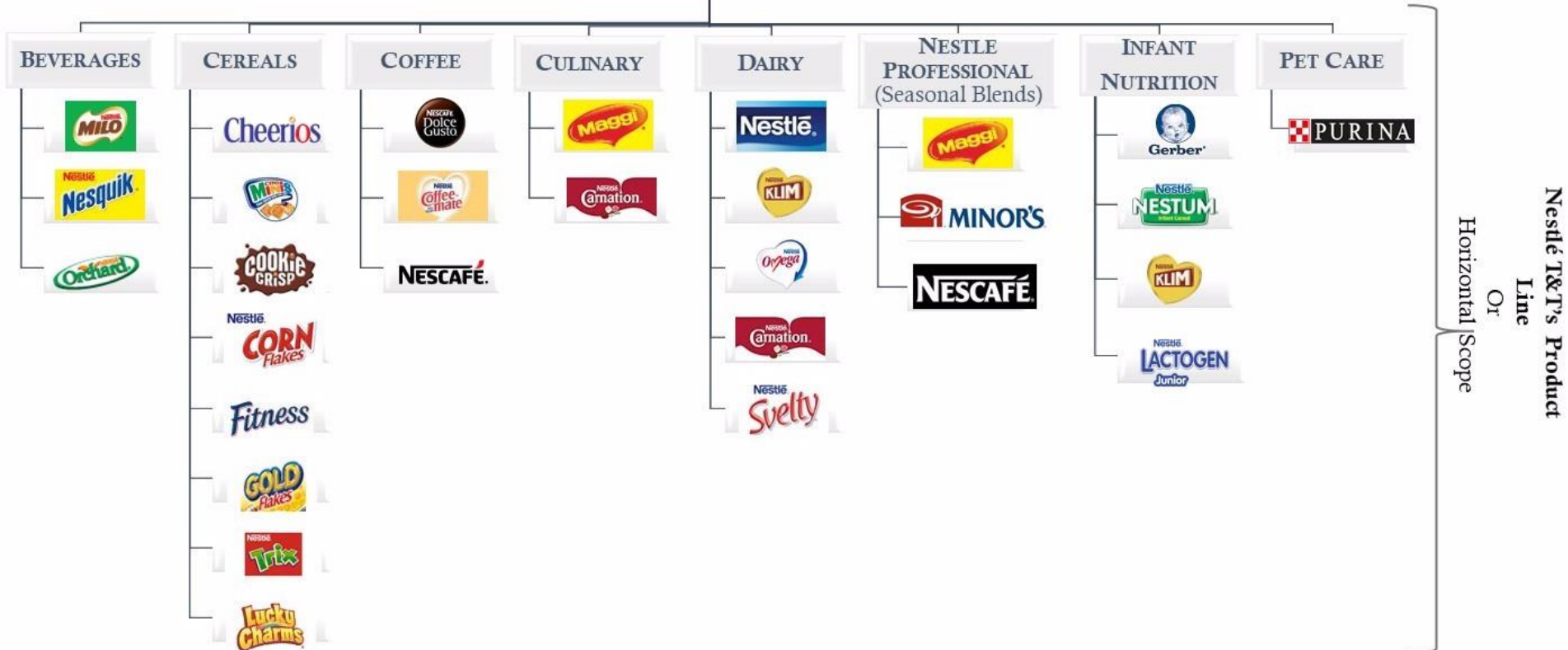
- Product mix consists of all the product lines and items that a particular seller offers for sale.
 - Width
 - Length
 - Depth
 - Consistency

Nestlé T&T's Product Scope - Value Chain Analysis



Nestlé Good Food, Good Life

Trinidad & Tobago

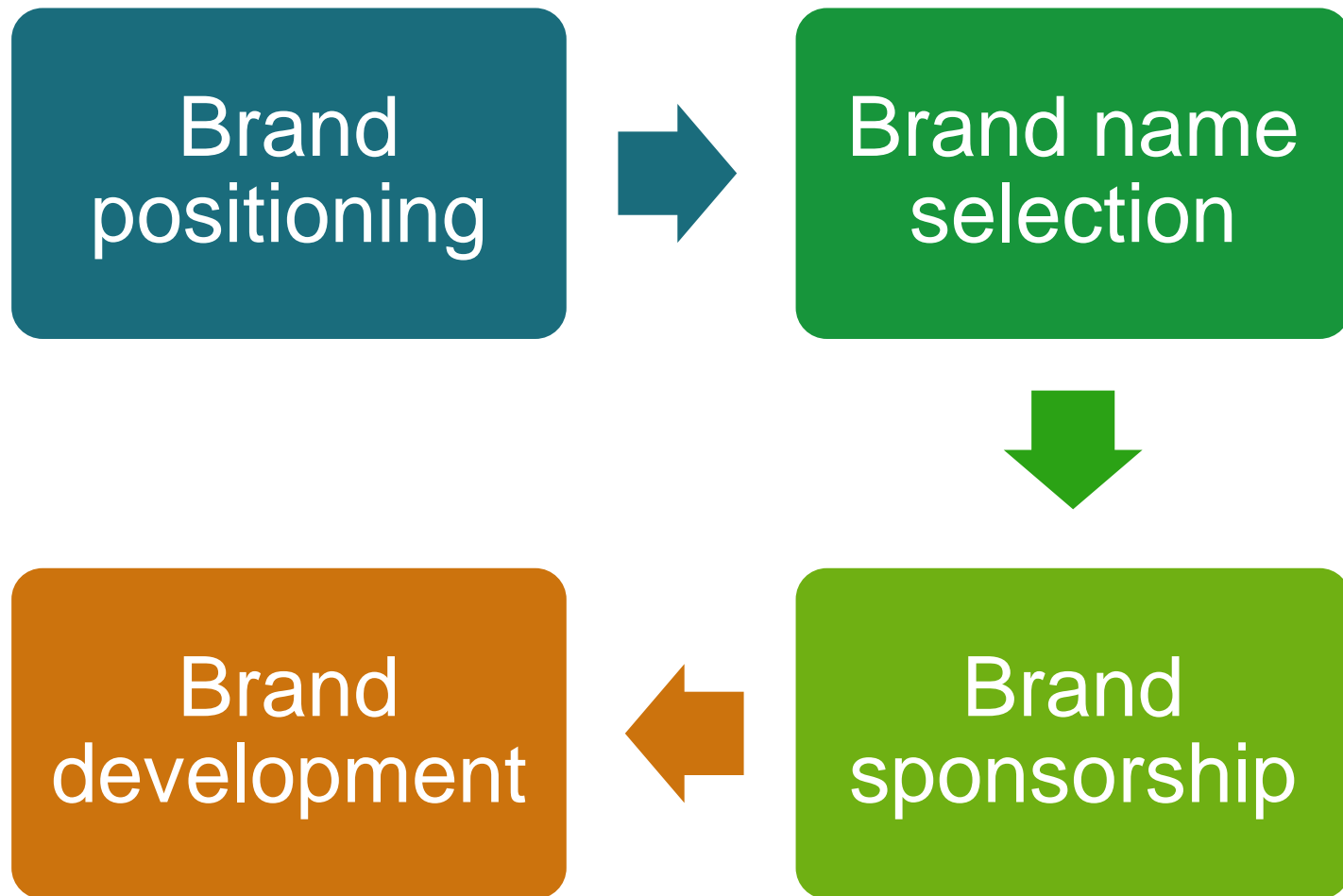


<https://stratmatters.wordpress.com/2017/10/16/a-glimpse-at-the-good-life-an-evaluation-of-nestle-tts-internal-and-external-environment/>

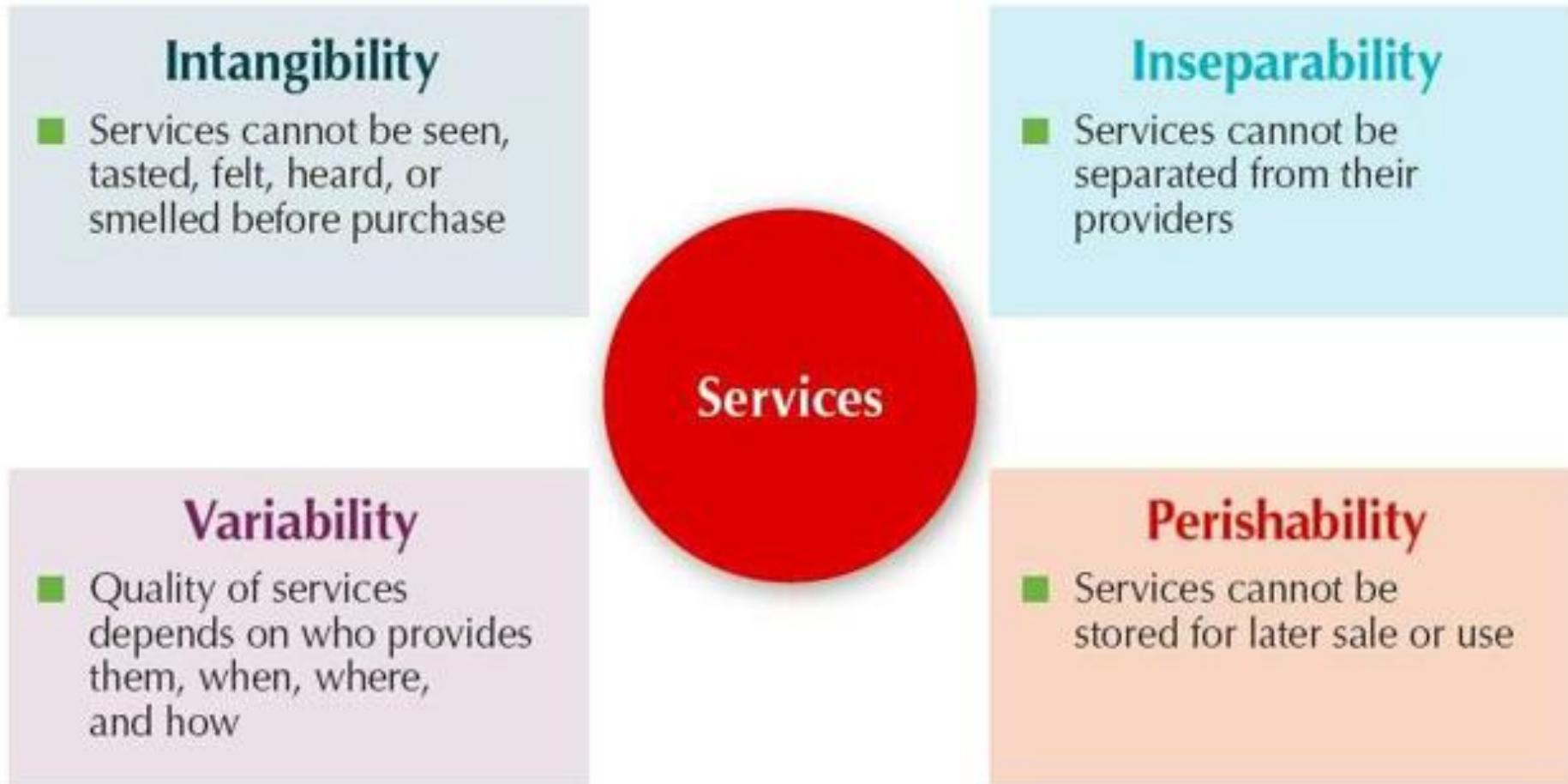
3. Branding strategy

- Brand equity: the differential effect that knowing the brand name has on customer response to the product or its marketing.
- Brand value: total financial value of a brand.

Major brand strategy decisions



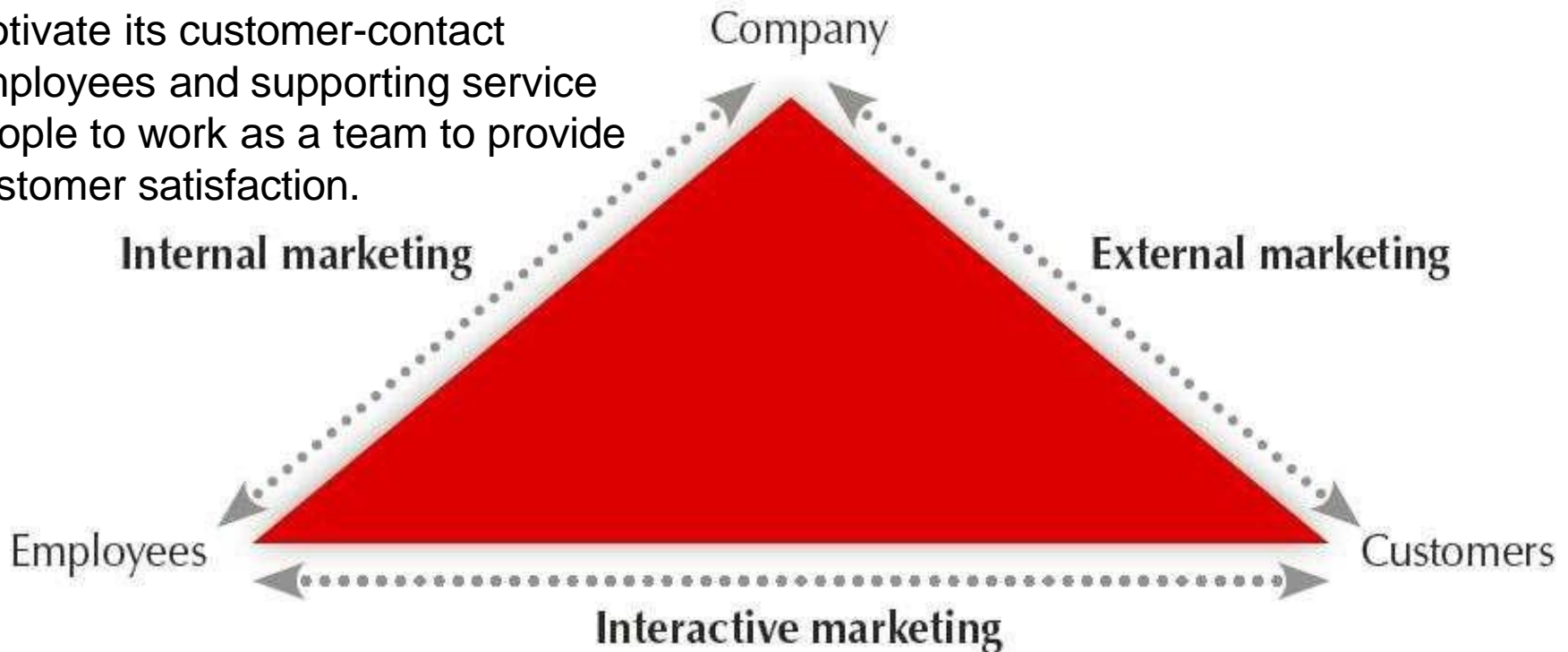
4. Services marketing



Four Service Characteristics

Three Types of Service Marketing

- service firm must orient and motivate its customer-contact employees and supporting service people to work as a team to provide customer satisfaction.



- service quality depends heavily on the quality of the buyer-seller interaction during the service encounter.