

# [Marketing ch. 9 and 10](https://assignbuster.com/marketing-ch-9-10/)

Convenience Productsare items that consumers purchase frequently, conveniently and with a minimum of shopping effort (Toothpaste or hand soap)Shopping Productsare items for which the consumer compares several alternative on criteria such as price, quality and style (Camera or TV) ONMARKETING CH. 9 & 10 SPECIFICALLY FOR YOUFOR ONLY$13. 90/PAGEOrder NowSpecialty Productsare items that the consumer makes a special effort to search out and buy (Rolls-Royce or Rolex Watch)Unsought Productsare items that the consumer doesn't know about or knows about but does not initially want (burial insurance)Intangibilityare services that can not be touched or seen before the purchase decisionInconsistencyServices depend on the people who provide them, so the quality varies from each persons capabilitiesInseparabilitythe consumer cannot distinguish the service provider from the service itself (University lectures are excellent but can't get questions answered so its poor)Inventoryhandling costs that relate to their storage, perishability and movement. Product Itemis a specific product that has a unique brand, size or price. Product Lineis a group of product/service items that are closely related to each other because they satisfy the same need (Vitamin Water Flavors)Product MixAll product lines offered by an organization (Coke, vitamin water, Dasani)Continuous InnovationRequires NO new learning by consumer (Improved toothpaste or detergent)Dynamically Continuous Innovationdisrupts consumers normal routine but does not require totally new learning (electronic toothbrush or disk player)Discontinuous InnovationRequires new learning and consumption patterns by customers (wireless router or electric car)New productthis term is limited to use with a product up to six months after it enters regular distributionWhy products fail1. nothing new about it
2. not enough room on the shelf for it
3. lack of explaining how you are going to satisfy customer wants and needs
4. not satisfying customers needs
5. bad timing
6. poor quality
7. tiny market segment
8. poor marketing mix executionOrganization product failures1. not listening to voice of consumer
2. skipping steps in the new product process
3. poor quality
4. people are afraid to shoot down dumb ideas
5. not learning from past failures
6. NIH (not invented here) problemNew product processseven stages an organization goes through to identify business opportunities and covert them into salable products or services. New product process stages1. Strategy Development
2. Idea Generation
3. Screening and evaluation
4. Business Analysis
5. Development
6. Market Testing
7. CommercilizationStrategy Developmentdefines the role for a new product in terms of the firms objectives. Use SWOT analysis and environmental scanning. Idea Generationinvolves developing a pool of concepts to serve as candidates for new productsScreening and evaluationinternally and externally evaluate new product ideas to eliminate those that suckBusiness Analysisspecifies the features of the product and the marketing strategyDevelopmentthe stage that turns the idea on paper into a prototypeMarket Testingexposing actual products to prospective buyers under realistic purchasing conditions to see if they will buyCommercilizationpositions and launches a new product in full scale production and sales. Product life cycledescribes the stages a new product goes throught in the marketplace: introduction, growth, maturity and declineIntroduction lifecycle stagesales grow slowly and profit is minimal, Growth lifecycle stagerapid increase in sales, competitors appear, repeat purchasers develop, improved version or new features added to the product to differentiate it from compititionMaturity lifecycle stageslowing of total industry sales, marginal competitors begin to leave the market, few new buyers enter the market. focused on holding market share and finding new buyersDecline lifecycle stagewhen sales drop, consume disproportionate shore of management and financial resources relative to their future worhtDeletion lifecycle stagecompany completely deletes the product lineHarvesting lifecycle stagewhen a company retains the product but reduces marketing costs. High learning product (graph)significant customer education s required and there is an extended introductory period (graph)Low learning product (graph)being immediately because little learning is required by the consumer, and the benefits of purchase are easily understoodFashion product (graph)is a style of the times, frequently appear in men and women's apparel. Introduced, decline and then return. Fad (graph)rapid sales on introduction and then an equally rapid decline. these products are typically novelties and have a short lifecycle. Innovatorsventuresome, highly educatedEarly adoptersleaders in social settings, sightly above average educationEarly Majoritydeliberate, many informal social contactsLate Majorityskeptical, below average social statusLaggardsfear of debt, neighbors and friends are information sourceProduct lifecycle and consumers1. Innovators
2. Early Adopters
3. Early Majority
4. Late Majority
5. LaggardsRole of product managermanages marketing efforts for a close knit family of products. Responsible for managing existing products through the stages of the life cycle. May be responsible for developing new products. Engage in extensive data analysis. Modifying the productinvolves altering one or more of a products characteristics such as quality, performance or appearance to increase products value and increase salesModifying the marketwhen a company tries to find new customers, increase a products use, or create a new use situationBrand personalityset of human characteristics associated with a brand nameBrand equityadded value a brand name give to a product beyond the functional benefits providedCreating brand equitypyramid: brand awareness (who they are, what they do), brand performance/imagery (relay positive brand), consumer judgements/feelings (human centered) and consumer connection (harley davidson and ford)Branding stategiesmulti-product, multi-brand, private label and mixedMultiproductcompanies use one name for all its products in a product class (ipod, iphone, ipad)Multibrandinvolves giving each product a distinct name (cheers, bold, tide)Private labelwhen company manufacturers products but sells them under the brand name of a wholesaler or retailer (target owns archery farms, up and up, mossimo)Mixedmanufacturer markets its own brand but someone else can buy and resell it (heinz ketchup can be bought by target and rebranded to archer farms)Benefits of product packaging1. provided information to the customer
2. creates a perception in consumers mind
3. distinguishes it from competitors