



PRODUCT



PRODUCT



It is a tangible good or an intangible service that is mass produced or manufactured on a large scale with a specific volume of units





PRODUCT



- In marketing, a product is anything that can be offered to a market that might satisfy a want or need
- In retailing, products are called merchandise
- In manufacturing, products are purchased as raw materials and sold as finished goods



PRODUCT – FOR CUSTOMER



■ Basic functions – satisfy the needs

■ Fashion

■ Symbol of status, prestige





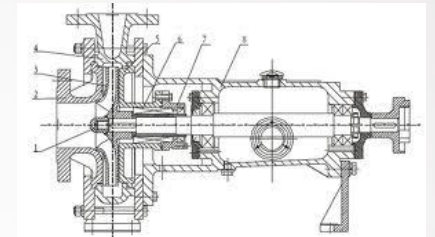
PRODUCT



■ Functional characteristics

Material - power, speed, power consumption

Services - Supplement or nature



■ Characteristics associated with the image

brand, design



COMPLEX PRODUCT_c

- A summary of all physical and psychological characteristics of the product and other characteristics through there we satisfy the customer needs
- Its success is determined by degree of satisfaction of customer needs and wishes.
- Core - Basic physical and chemical characteristics
- Middle layer - perceivable, materialized product
- Top layer - extended product - service, image

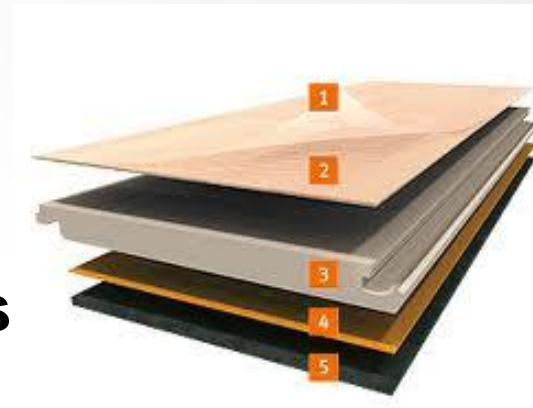
COMPLEX PRODUCTc

The car as a complex product is formed as its own technical equipment with certain technical parameters, mark, visual features, warranty and service, payment terms etc.

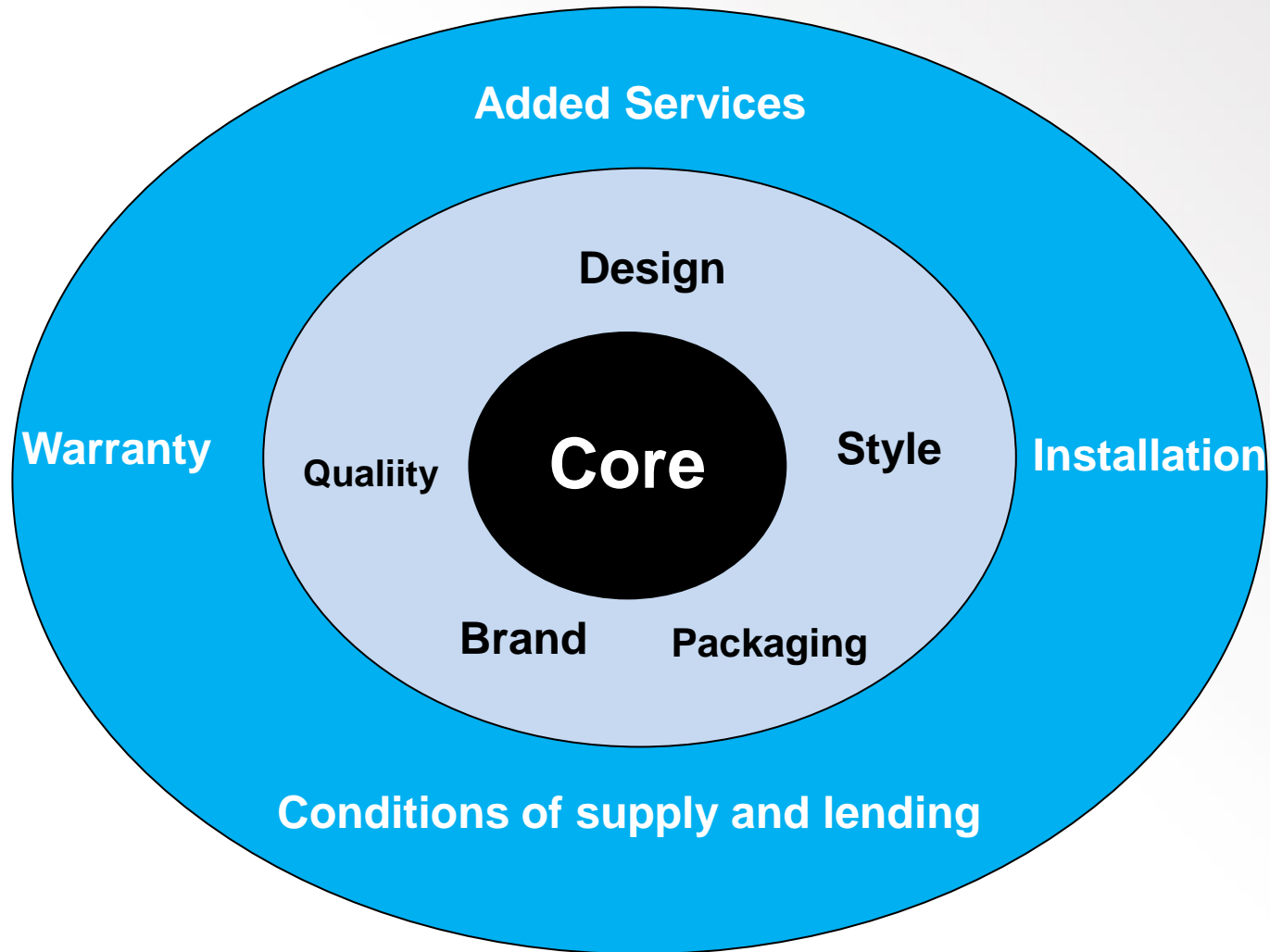
■ Core - Basic physical and chemical characteristics

■ Second layer – perceivable product

■ Top layer - extended product or services



PRODUCT STRUCTURE



◀ THE COURSE OF THE PRODUCT LIFE CYCLE ▶



PRODUCT LIFE CYCLE

■ Product life cycle

The time between implementation and withdrawal from the market (based on customer needs).

■ Marketing target

The product is successful, a long counter, return on investment, profitability.

■ At each stage the used marketing tools vary based on customer feedback, market and competition.



1) INTRODUCTION OF THE PRODUCT ON THE MARKET

- The decisive stage
- Maximum attention to the product
- Informative and persuasive advertising
- Distribution, sales network



2) GROWTH AND SALES DEVELOPMENT

- The most dynamic period
- Development costs are paid
- Growth in profits
- New competitive products





3) MATURITY



- Growth in sales volume
- Reducing the growth rate of sales
- Known product - the amount of sales
- Differentiation of requirements – differentiated product
- Modification of the basic product
- Entry of competitors on the market
- Reducing prices





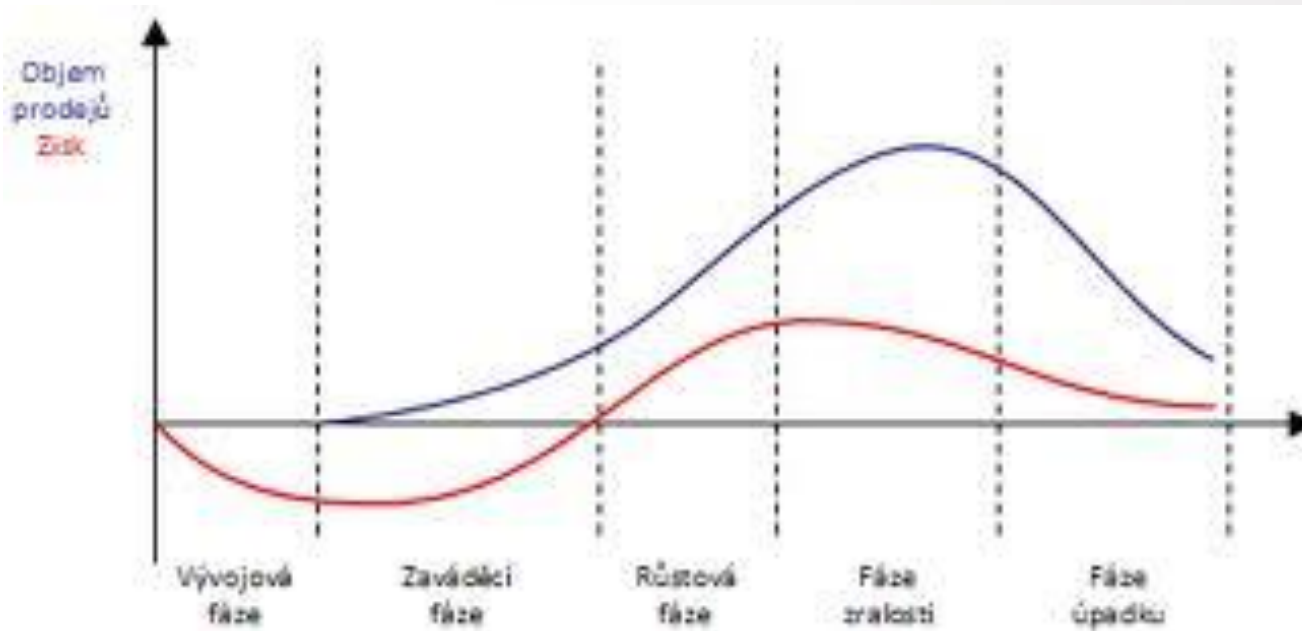
4) DECLINE



- Decline in sales, often sharp
- Discontinuation of sales
- The possibility of continued - strong conservative segment
- Leaving the other competitors



THE COURSE OF THE PRODUCT LIFE CYCLE





MODIFICATION OF THE LIFE CYCLE



■ Timeless products

Dominated by maturity, no decay (coca-cola)

■ Products of the type of growth - decay

Rapid growth, lack of maturity (toys)

■ Products with a renewed cycle

Renaissance, the new marketing (bicycles)

■ Products with the introduction phase, the decline

Unfavorable, unsuccessful innovations

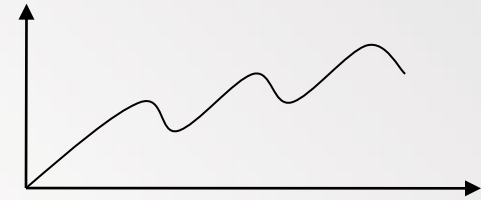




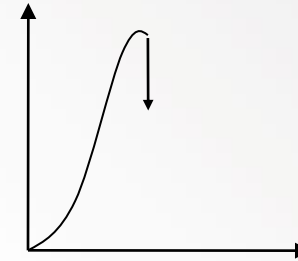
SPECIFIC CYCLES



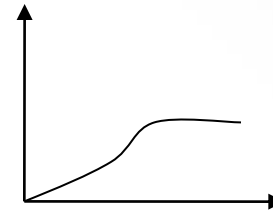
■ ■ Product with a renewed cycle



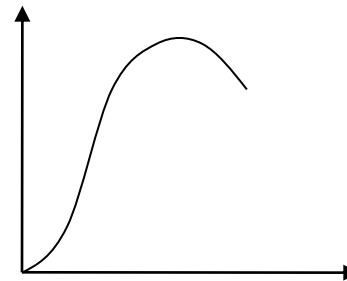
■ ■ Incomplete life cycle



■ ■ Ageless products



■ ■ Shortened cycle





FACTORS INFLUENCING THE COURSE OF THE LIFE CYCLE



■ Consumer response

Interests rate

■ Competition

The activity, frequency, speed, strategy

■ Company's marketing policy, coordination of mark.

Tools

■ Stage of novelty of the product

The perceived rate of change



BCG MODEL

BOSTON CONSULTING GROUP

■ Portfolio analysis, BCG model

Boston consulting group

■ Combining two criteria

Market share vs. Market growth

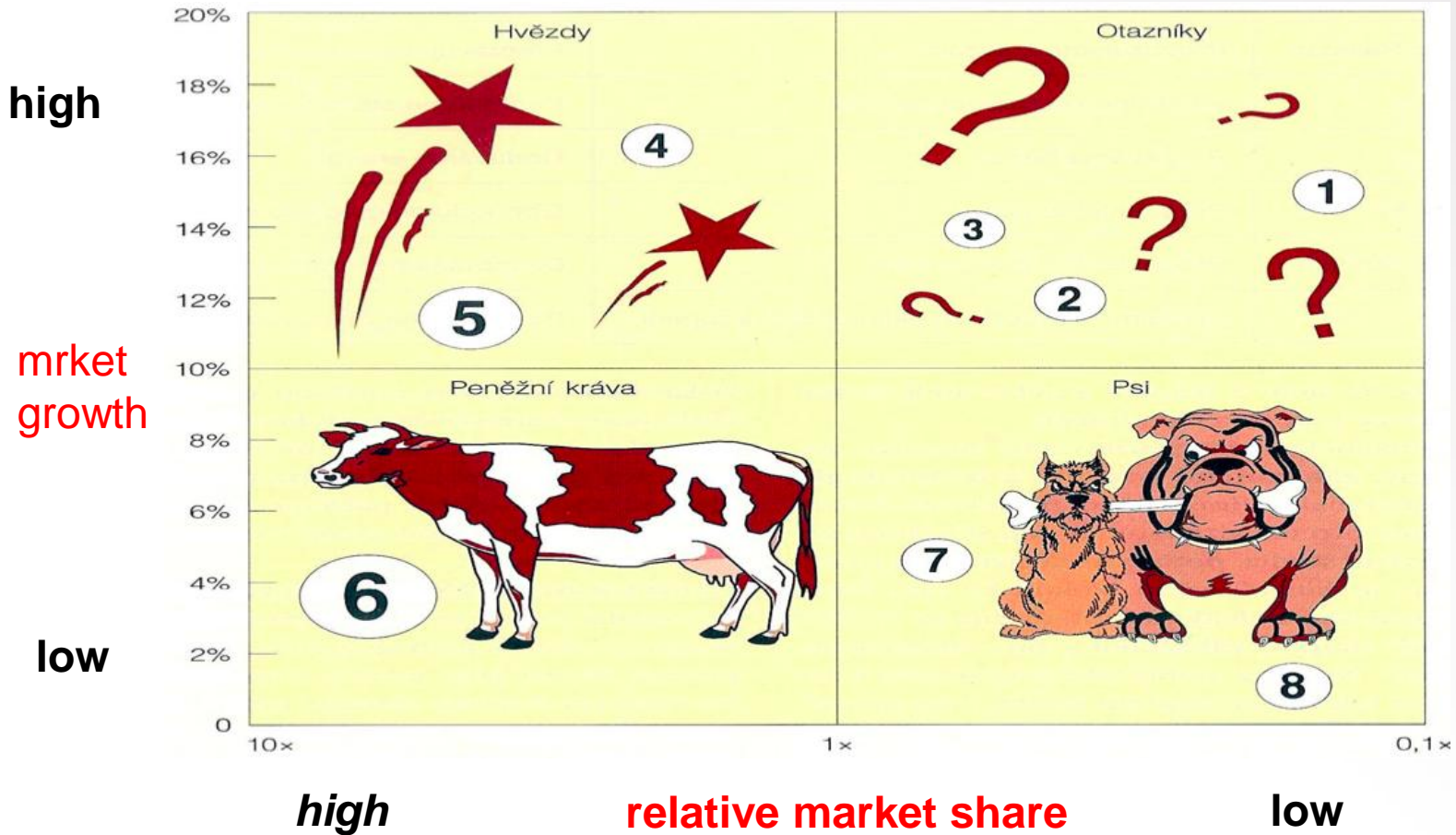
■ 4 quadrants for product positioning

Optimum - 1 quadrant

Worst position - 4 quadrant



BCG MODEL BOSTON CONSULTING GROUP



INNOVATION AND NEW PRODUCT CONCEPTS

■ **New respectively innovative product is one that offers consumer a positive change**

■ **The character changes**

Change the technical aspects of the product
Changing aesthetic aspects of the product

■ **Rate changes - as perceived by consumers**

Radically new products »TV
Modification of existing products »color TV
Analogous products »flat-screen TV

COMPANY CAN OBTAIN A NEW PRODUCT:

■ Innovation



■ Product acquisition



CAUSES OF INNOVATIONS

- Maintain a favorable position of producers
- Relative saturation of the market
- Decline in profitability of the product
- Ecology



◀ THE IMPORTANCE OF INNOVATION ▶

- Can restore the profitability of the product
- Growing importance of innovation in connection with a higher susceptibility of people - the environmental consequences, health
- Innovation is an instrument from manufacturers to dealers





PRODUCT „MEDIA“



Brand



Package



Design





DESIGN



...roadmap or a strategic approach for someone to achieve a unique expectation.

■ In marketing terminology:

Product design

Architecture design

Design of a company



PRODUCT DESIGN



■ ■ Representing by 4 elements:

Functionality, aesthetics, elegance, ergonomics

■ ■ Information about:

Usage of the product

Product belonging to the company

Creates a positive psychological and social ties -
through user-friendliness





■ Design in architecture

Is used for some interior and exterior industrial and commercial buildings

Especially single solution operating units of different chains (retail, hotels, petrol stations)



■ Design of a company

Summary of all the visual signals from the company

In addition to product design and architecture involves the design of solutions and color brands, packaging, documents, business cards, clothing





PACKAGING – TYPES



■ Shipping

Handling, transport, storage
Pallets, containers

■ Consumer

Selling products to consumers
Cans, bottles, boxes

■ Business

Delivery, presentation of the sale
Boxes, cartons

■ Service

Facilitate the sale, hygiene
Bags for bread and fruit, carrier bags





COVER – FUNCTION



■ Technical

Preservation value for money, protection and safety during transport, to facilitate handling

■ Marketing, sales

Attracting attention - the product identification (positioning) - information - provision of services (dosing, open packaging, carrier boxes)

■ Social, environmental

Recycling of materials, returnable containers