

Lesson 5.2

The Marketing Mix—Product

Goals

- Explain how the marketing concept affects decisions regarding the product mix.
- Define and describe the importance of product management.

Vocabulary

- product mix
- features
- brand
- positioning

The Marketing Concept and the Product

- If you can convince your customers that your products satisfy their needs better than any competitor's products, then your products become a marketing tool for your business.

Consumer-Driven Market

- The wants and needs of customers are the most important consideration when developing any product or marketing effort.
- The U.S. has changed from a product-driven market to a consumer-driven market.
 - Consumers are more educated.
 - Competition includes the global market.

Product Mix

- **product mix**
 - the different products and services a business sells
- Entrepreneurs may carry some products that are not profitable just to please customers.
- A small percentage of the product selection often makes up the majority of sales revenue.



How does the marketing concept affect decisions made about the product mix?

Product Management

- There is more to a product than consumers may realize.
 - features
 - branding
 - packaging
 - labeling
 - positioning

Select Product Features

- **features**

- product characteristics that will satisfy customer needs

- The target market should be considered when selecting product features.

Consider Branding, Packaging, and Labeling

■ brand

- the name, symbol, or design used to identify your product

■ package

- the box, container, or wrapper in which the product is placed

- label
 - where information about the product is given on the package
- The brand, package, and label that you choose for a product help differentiate it from others on the market.

Position Your Products or Services

- Different products and services within the same category serve different customer needs.
- **positioning**
 - creating an image for the product in the customer's mind



Why is product management important?