

**Product and Brand Management**  
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**Lecture 03**  
**Terminologies Associated with Product - 1**

Hello Friends, Welcome to this third session of Product and Brand Management. And just to give you a glimpse of that in last two sessions, we tried to build up and I would not say concept, but I would say build up a basic philosophical perspective around a product and a brand. To look at a product with a view of being something wherein we can interact with or which can respond to us.

We talked about personality and persona, and similar kinds of concepts. We referred to a very lively product, which has created a very huge space for itself like Barbie. Now, going forward, let me take you to a journey wherein, we would be learning few terms or let us say terminology associated with products.

I would not be specifically focusing upon brand and branding at this stage, which would follow subsequently after we have built up a story around understanding products and product management. And because we are talking of Product and Brand Management, we must understand how do we denote the aspects associated with product management. Because at the end of the day, we wish to learn how to manage a product.

So, we just do not want to limit our understanding on what a product is. So, let us go along, let us find out that what are the aspects which accompany the world of a product, any product for that matter, and at this particular stage, I wish for you to think of a product around you with a backdrop of our discussion we have had in last two sessions.

So, let us begin with the terminologies associated with products. And, when we are talking of terminologies, I would like you to think in terms of the definitional frame once again. We will spend a few minutes here because that will shape our understanding of a product. Definitions are ways through which we look at something, we frame something, we can find something within a frame of understanding, and we define something. So, while talking about the definitional perspective associated with a product, we will be talking about domain of a product and actually that is important for something for being a product.

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- **Product** is anything that can be offered to a market to satisfy a want or need, including physical goods, services, experiences, events, person, places, properties, organizations, information and ideas.

Physical goods	Services	Experiences	Events	Person	Places	Properties	Organizations	Information	Ideas
<ul style="list-style-type: none"> <li>•Furniture</li> <li>•Appliances</li> <li>•Building</li> <li>•Vehicle etc.</li> </ul>	<ul style="list-style-type: none"> <li>•Education</li> <li>•Transportation</li> <li>•Healthcare</li> <li>•Roster services etc.</li> </ul>	<ul style="list-style-type: none"> <li>•Walt Disney World's Magic Kingdom lets customers visit a fairy kingdom, a pirate ship, or a haunted house</li> </ul>	<ul style="list-style-type: none"> <li>•User Conference</li> <li>•Community events</li> <li>•Auctions</li> </ul>	<ul style="list-style-type: none"> <li>•Artists</li> <li>•Celebrities</li> <li>•Professionals like doctors, lawyers, financiers etc.</li> </ul>	<ul style="list-style-type: none"> <li>•Cities</li> <li>•States</li> <li>•Regions</li> <li>•Nations</li> </ul>	<ul style="list-style-type: none"> <li>•Real Property (real estate)</li> <li>•Financial Property (stocks and bonds)</li> </ul>	<ul style="list-style-type: none"> <li>•Museums</li> <li>•Performing art organizations</li> <li>•Non-profits organizations</li> </ul>	<ul style="list-style-type: none"> <li>•Information is essentially what books, schools, and universities produce, market, &amp; distribute at a price to students, and communities.</li> </ul>	<ul style="list-style-type: none"> <li>•"Friends Don't Let Friends Drive Drunk"</li> <li>•"A Mind is a Terrible Thing to Waste."</li> </ul>
For e.g. In Furniture, IKEA	For e.g. In Education BYJU'S	For e.g. Wonderland, Snow world	For e.g. Cricket Match Event IPL	For e.g. Stand up Comedians	For e.g. Hardwar, Gujarat, Kerala etc.	For e.g. SBI Mutual Funds, Googel Real Estate	For e.g. Ashva Pina Foundation, Narayana Hinduvalaya etc.		For e.g. Maintain Social Distancing during the Covid times

Source: Philip Kotler, and Kevin Lane Keller, *Marketing Management 15th edition*, Pearson, 2016 Indian Edition Published by Pearson India Education Services Pvt. Ltd 2016

This is a popular definition given by Professor Philip Kotler and Professor Kevin Lane Keller in their book called *Marketing Management 15th edition*, published by Pearson in 2016, and Indian edition was published by Pearson India Education Services Limited in 2016. So, the definition is that product is anything that can be offered to a market signifying a set of customers to satisfy a want.

And probably you have gone through a course of marketing management or if you have not, I would request you to go to some chapters of marketing management to understand about what a want or a need is and just to give you a glimpse. Need is fundamental, which percolates down into several kinds of wants basically, and very common examples are there that hunger is need and can be satisfied through parathas and burgers and so on.

So, that is where want traverses. So, product is anything that can be offered to a market to satisfy a want or need. And when I say or need means that it reflects the satisfaction of want, reflects on the satisfaction of need and probably vice versa, including physical goods. Now, mark the categorization here services, experiences, events, person, places, properties, organizations, information and ideas and nowhere the authors have said that this is a specific categorization. Here I would suggest that you may think of adding few other elements here as well. They have given a larger picture to us to follow, to ponder upon and to think about. Now, let us briefly look into all these elements, for example, physical goods, any physical good around you for example, at this moment, you probably are sitting on a chair, so, furniture, appliances, building, vehicles, and so on.

And then we talked about IKEA furniture the other day. Because, we have talked about a product's persona and personality, we may also see here that a physical good can be observed, can be experienced as well. Although, I should have said it at the end, but beforehand can also be good to mention here that all these elements which we are referring to may coherently also be seen, and let me explain how. For example, we are talking of experiences in terms of a product. Physical goods may also extend experiences, but there are specific products, which actually bring on experiences that is why we have categorized experiences as a separate stream while defining a product. So, after physical goods, there are elements of services, education, transportation, health care, and so on. And there are several examples.

Let's say education as a service. This morning, I was talking to a group of academicians who want to launch a new course, and they specifically were mentioning that how service oriented they are meaning thereby, that they intend to focus upon the satisfaction of the wants of their customers. And they were mentioning about customizing several kinds of courses, they would offer for example, two years program in management or let us say a certification course and so on.

And they have this thought of bringing in the element of satisfaction to the target customer, the market, which we are referring to here in this definition. And we will be talking about this satisfaction element at a larger level in due course of time along with several other kinds of discussions, which we would be having in due course of time and especially, when we would be talking about a product getting converted into a brand which we discussed briefly last time.

Experiences, Walt Disney: World's Magic Kingdom. It lets customers visit a fairy kingdom for example, a pirate ship or a haunted house and so on. You see a unique kind of an experience which you gain while going through a service or a product, whichever way, for example, you watch a movie.

Now, sitting in a cinema hall can bring on an experience to you for example you pay for a specific seat, a premium deluxe seat, and something is served at that particular seat. It has a recliner wherein you can just, lay back and watch the movie in a huge cinema hall as if you are sitting in your own drawing room wherever you are feeling comfortable. So, that kind of thing basically, then comes in events.

Authors have talked about events as products. Events bring in customers and events are meaningful and it is a matter of exchange also. So, there are several types of events for example, conferences, community events, auctions and several other kinds of live programs, music shows and dance shows, and film promotion shows basically lots of events are there. India is cricket loving country. Cricket matches are events, for example, Indian Premier League, IPL is an event and it again has all the components of being called as a product. And simultaneously it can bring you satisfaction, it can bring you experience also and so, on.

Then comes in person, person can be marketed as a product, yes, several actors are there. And today we are in an era where in standalone and standing comedians are making a very huge mark for themselves. Poets are there, singers are there, and several kinds of artists and celebrities and professionals are there and then several doctors can be marketed as products basically for example a hospital specifically says that an expert Doctor is working with us. So, that can also be there. We all know about many renowned names, who can be seen as serving a particular kind of a purpose in terms of being termed as a product.

Places, for example, Haridwar is a famous city nearby, where I am standing right now in Roorkee. And that city can be seen with the perspective of being a product. It is a holy city, people come there to take a dip in the holy river Ganges, and there are several congregations which are organized there in that city. Kumbh Mela, which is the largest congregation on this earth is organized, after a certain period of 12 years in that city.

So, that is where we are talking about a city being a product. A state, remember that Gujarat campaign, where in whole state is being marketed and Kerala as well. So, a state can also be a product. Then there are several regions and there is a term nation branding, wherein nations are being marketed as a product for example Malaysia being promoted as Malaysia truly Asia. Another very important example is Incredible India.

Then come in properties, real property, real estate, then financial properties, stocks and bonds and so on. Organizations can also be products, museums, performing art organizations, nonprofit organizations, corporate organizations, commercial organizations and so on. Several kinds of organizations can be seen with a particular kind of a product perspective, because if you have a target in mind, then an organization can be marketed as a product itself.

And then information and in today's era, the biggest asset is information, and one of the most important saleable products is information. Whole of this world is seeking information as of

now, and it is not just to elaborate on this element, actually we are all driven by as far as information marketing goes. Lot many companies are trying to buy our information from somewhere at this moment. So, that is where, a kind of information is essentially what books, schools, portals, universities produce, market and distribute at a price to the students, to the customers and to the companies as well.

Today, when we say organizations, so, an institute as an organization can also be seen with the perspective of being a product and do not just get confused on this, try and see the overlap, because categorization has to be done with reference to the market and satisfaction of needs and wants. And then on the other side information produced by the similar kind of an organization which itself is seen as a product can also be seen as a product at this moment.

So, that is the point here and under information generated by the schools, that is marketed and information bought by the schools to further distribute that is also a product. We have to specifically imagine that what are the elements associated with marketing, market, customer and satisfaction of wants and needs, which can specify something as a product.

Now come in ideas. Some ideas can be marketed. If you have that kind of a perspective around wherein you can project some idea you can sell it to someone and if you can sell that to someone and that someone can buy that idea to propel it further so, that idea can also be an idea of a story for example. Now, that can be converted into a story and that story can be marketed as a movie or produced like a movie later on.

So, that is how this categorization works, keep pondering upon these important terms in relation to definition, which compositively, brings it forward to you. Now, we will be seeing some other important terminology related to a product, product system. You will be hearing these things probably later on as well many times or you would be hearing it from someone else or on portals or you would be using it someday.

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**Terminologies associated with product**

- **Product system** is a group of diverse but related items that function in a compatible manner.

For example, the extensive iPod product system includes headphones and headsets, cables and docks, armbands, cases, power and car accessories, and speakers.

Source: Common Language Market Dictionary, Marketing Accountability Standards Board. [Retrieved November 15, 2021]. <https://marketing-dictionary.org/>

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So, product system is a group of diverse but related items that function in a compatible manner. Sometimes you have purchased a complete system. People also call it echo sphere. Earlier we used to call a computer as computer system basically. I have purchased a system because somehow the monitor, the CPU, and those kinds of units constituted a system.

So, they can be seen as a system working in compatibility, wherein different components work with each other. In today's scenario, when we carry a mobile phone that works as a computer as well many times for our genuine needs or you have a laptop, which works for so, many kinds of things, form example it can be used as a display screen for watching a movie on the other side, you simultaneously can write a mail and simultaneously can use it for programming also.

So, that system has compositively got reduced into one product basically and that is how systems and products are related to each other. For example, you have purchased a complete audio setup or let us say a theater system basically. Many times you would feel that many products have been referred to with reference to a system and later become a composite product by themselves because technology is enabling things to happen all around us. So, there are several kinds of examples which can be used further as iPod. Product system include headphones, headsets, cables, armbands and cases, power and car accessories and speakers and so on. So, everything can work as a coherent system basically with compatibility. Compatibility is the core element of when we talk of a product system.

Now, there are elements of product attributes. We have been talking of product personality and persona. Now, let us look at the elements associated with how we actually visualize a product. So, attributes can definitely support us in understanding this element.

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## Product-Related Attributes

**Product attributes** are the characteristics by which products are identified and differentiated. Product attributes usually comprise features, benefits, and uses.

The classification schema, as proposed by Myers and Shocker for describing products and services, includes three major categories:

Product Referent	Task or Outcome Referent (Benefit)	User Referent (Usage)
<ul style="list-style-type: none"> <li>• <b>Physical characteristics</b></li> <li>• Colour</li> <li>• Temperature</li> <li>• Size</li> <li>• Texture</li> <li>• Weight, Volume</li> <li>• Material composition</li> <li>• Smell, taste etc.</li> <li>• E.g., Automated cars are communicated for their product attribute</li> </ul>	<ul style="list-style-type: none"> <li>• Perceived benefits from using a product as an outcome of subjective evaluation (What product will do for the user?)</li> <li>• For e.g. Ariel selling its detergent focusing on the benefit of washing dirtiest of clothes.</li> </ul>	<ul style="list-style-type: none"> <li>• Image that the consumer has of himself or herself relative to the product.</li> <li>• Phrases such as "the choice of professionals," "gives a high-tech appearance," or "selected by only the most demanding purchasing agents"</li> </ul>

Source: J. David Lichtenthal; Stephen A. Goodwin (2006). Product attributes for business markets: Implications for selling and sales management. *Psychology & Marketing*, 23(3), 225-251.

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Product attributes are the characteristics. We used this word characteristics, in personality discussion as well. So, attributes definitely make a composite part of a product's personality, because attributes are also referring to characteristics, but here we are specifically looking into few of those. So, attributes are the characteristics by which products are identified and differentiated. Product attributes usually are comprised of features, benefits and usage.

Many authors have worked upon this I have referred to very good paper here, which explains few things and I will read those for you. So, the classification schema as proposed by Myers and Shocker for describing products and services include three major categories: one is product referent, the other is task or outcome referent that is benefit that focuses upon benefit and the other is user referent that is usage.

So, that is this classification would come along with us in many forms later on also. When I will be discussing core and potential product and augmented product and that kind of a circular formation wherein we will try to understand similar kinds of things.

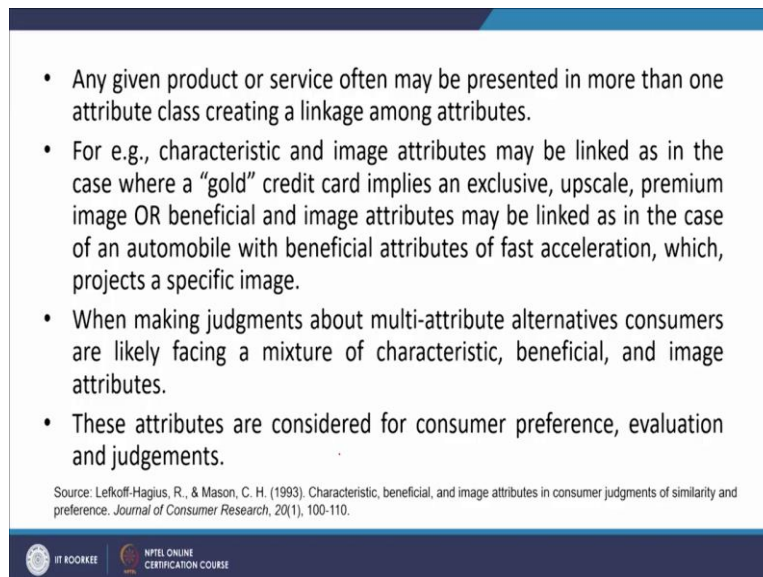
So, product reference, wherein physical characteristics, that is color, temperature, size, texture, weight, volume, material composition, smell, taste, etc. and please do remember the chart where we discussed about Barbie. The elements of the material used to make Barbie as a doll. Those kinds of elements are also included as far as characteristics go and then comes

in task or outcome referent, wherein perceived benefits from using a product come up as an outcome. What product will do for the user?

The benefit which is observed and foreseen by a user actually, for example, Ariel selling its detergent focusing on the benefit of washing dirtiest of the clothes. The benefit is cleaning the clothes. And then comes in user referent image that the consumer has of himself or herself relative to the product phrases such as the choice of professionals, gives a high-tech appearance and are selected by only the most demanding purchasing agents and so on.

Attributes encompass or are encompassed by all these elements actually, and it is wonderfully explained by this research paper, and it will give you a fair glimpse of how things work.

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• Any given product or service often may be presented in more than one attribute class creating a linkage among attributes.

• For e.g., characteristic and image attributes may be linked as in the case where a “gold” credit card implies an exclusive, upscale, premium image OR beneficial and image attributes may be linked as in the case of an automobile with beneficial attributes of fast acceleration, which, projects a specific image.

• When making judgments about multi-attribute alternatives consumers are likely facing a mixture of characteristic, beneficial, and image attributes.

• These attributes are considered for consumer preference, evaluation and judgements.

Source: Lefkoff-Hagius, R., & Mason, C. H. (1993). Characteristic, beneficial, and image attributes in consumer judgments of similarity and preference. *Journal of Consumer Research*, 20(1), 100-110.

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You see any given product or service often may be presented in more than one attribute class creating a linkage among attributes. Now, as I have been saying and just mentioned when I was discussing definition and elements of a definition with you, that categorization is necessary for us.

Here we are trying to understand attributes with no reference points, but there always is an overlap and that overlap is actually not per say in terms of actually intruding from this category to the other category. It is actually the reference point of coherence between the categorization which we are doing, and that is same. So, benefit and user reference can definitely have a coherence, for example, characteristic and image attributes may be linked as in the case where a “gold” credit card implies an exclusive, upscale, premium image or beneficial and image attributes may be linked as in the case of an automobile with beneficial



attributes of fast acceleration, which, projects a specific image. It is a kind of high-speed car or something. Gold is premium kind of a credit card, but definitely it has a fundamental usage of being used as a credit card as well. Then, when making judgments about multi-attribute alternatives, consumers are likely to face a mixture of characteristics, beneficial and image attributes as such. But again, it is the originating point of how we will expand the target market or how we will differentiate the same product with slightly different characteristics for different kinds of consumers.

That is a very important element for us to understand and you will realize that in a short while from now or let us say in subsequent sessions, wherein I would be discussing product line as well. So, there you would understand that product may emanate through and through in a line wherein feature differentiation can also come in.

And there is again a point of discussion associated with that, then, these attributes are considered for consumer preference, evaluation and judgments altogether. Now, again, I will be focusing very briefly upon as far as the elements related to product hierarchy are concerned and would be choosing one to discuss right now and subsequently I would be going to others in the next sessions. So, let us focus on product hierarchy. What actually can be seen as product hierarchy?

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**Terminologies associated with product**

**Product hierarchy** is the classification of a product into its essential components. Six terminologies from product need to product variant are identified as **Product hierarchy** which stretches from basic needs to particular items that satisfy those needs.

1. **Product need:** The core need that underlies the existence of a product family.

For example,

- a. Need for the products like Laptops or Smartphones or Calculators exist because of underlying core need of *computing*.
- b. Need for the products like passenger cars exists because of people want to travel.
- c. Need for toothpaste exists, because of underlying core need of dental care.

Source: Philip Kotler, and Kevin Lane Keller, Marketing Management 15th edition, Pearson, 2016 Indian Edition Published by Pearson India Education Services Pvt. Ltd 2016

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Six terminologies from product need to product variant are identified as product hierarchy. This also explains about how a product traverses or gets classified, in due course of time. That stretches from basic needs to particular items that satisfy those needs. So, why do we wish to understand this, and for example how to categorize a detergent and then how to put up different sets of customers for different variants of a detergent or let us say one detergent to solve or satisfy the wants of different kinds of customers all together.

Would it be possible? I think that there is a question mark here. There are some products which are universally used by almost everyone, but then there are customers who want differentiation anyhow. And that is again a very big question or otherwise some competitors would come in with a different kind of product and that also would be seen when we will be talking about competition perspective associated with product and product management.

So, to start with, let us talk about product need. The core need that underlies the existence of a product family. I will be talking about family next, but the core need that underlies the existence of a product family is called product need for example, need for products like laptops or smartphones or calculators exist because of an underlying core need of computing. You want to compute and analyze something basically, you want to calculate something.

Now, that need, can focus upon a particular kind of an application which any of these devices can resolve for you depending upon the capacity and capability of these devices, which we are using. Then there is or there can be another example that you have a need for commuting

or travel and that can be satisfied by passenger cars or let us say some other modes, which you may be using to reach to a particular kind of a destination.

And the point here is of satisfaction of that particular need, which is fundamental in character. You may even walk but because as you will be walking so, that cannot be seen as a product because it does not come from a marketer to you. But, that can be talked about if you pay someone to motivate you to walk to go to your place every day, then definitely it can be seen as a service, but it is a complicated thought.

But, still there is a scope for looking at it, and I will be coming to this point of alternatives and substitutions, when I will be referring to families and classes later on. Then there is need for a toothpaste, which exists because of underlying core need of dental care for example. So, dental care is the need and it can be satisfied by products like toothpastes and you can use datoon as well, kind of a twig, a herbal twig.

Now, I will stop this discussion here and I will carry forward with a discussion on family classes with the perspective of a product hierarchy in the subsequent session. Keep thinking about what we are discussing. Keep working upon that. Keep watching around you. Now onwards start looking at product hierarchy around you. I will come back with lots of discussions and lots of insights for you. Till next time, goodbye.