

**Product and Brand Management**  
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**Lecture - 06**  
**Terminologies Associated with Product - IV**

Hello friends welcome back to this wonderful domain of Product and Brand Management. We are getting acquainted with so many things which are useful for developing and understanding about product and product management and brand management in due course of time. Right now, our focus is product management and we are progressing from concept or should I say philosophy to terms to concept, the concepts around product management which you would be covering in subsequent one or two sessions.

So, carrying forward from the discussion we were having last time wherein we were talking about product development and we focused upon three perspectives around product development and as you know at the end I left you with a thought that if you have heard someone saying what is your problem? So, that is the perspective which we were focusing upon.

Now, you see product actually has an intense association with problem and its solution. But, the point is that are we able to conceive a problem and you see that is where the philosophical perspective connotation is required. That is why these kinds of terms are required, that is why you know categorization is required and that is why the understanding of line, family, classes and these kinds of things are required.

Because you see when we understand our core need then we wish to understand about how that need would be satisfied on one side but that core need may be associated with an identified problem. We can look at that, that way. I would not go into much details of defining problem in front of you but as you are aware we can look at a problem with different perspectives.

Problem can be looked upon with reference to being a barrier with a perspective of being an obstacle, something which hinders our way to achieve our objectives, to reach our goal whichever way you know there are several ways you can look at problems with reference to several functionalities also. But, when we talk of product it actually helps us in satisfying a particular kind of a need and that kind of a perspective is carried around problem identification.

On the lighter side when you say that, what is your problem? You know, so, here the identification of problem is emphasized in this statement. You see, so, there can be you know several elements to it but let us not digress that much, let us just look at a product wherein, we must conceive that successful product development and problem solving can be seen in coherence with each other actually.

So, we will see, that, when we will talk about new product development and new product development process in later parts of our discussion. But, here just conceive and keep in mind that an identified problem can be resolved through a product and as simple as that. You know you look at some application associated with let us say reaching out to market.

For example, an application wherein, you can reach to a portal or an organization selling several kinds of products so a problem of not being able to physically reach to the retailer to purchase a product can be resolved through that particular kind of an application and so on. So, here we all understand you know that particular application is a product actually.

There are several portals and apps today which are actually bringing in medicines at your doorsteps. Now, that has made life so easy you see at a particular hour when you require medicine and you cannot go out its raining or it is too cold, its night time and you are somewhere in the emergency in the hospital, you are attending a patient and you cannot leave the patient and so on. So, there are several kinds of situations which are associated with this.

And on the other side Zomato, Swiggy all these are solving several kinds of problems. So, that is a sweeter way of solving problems basically, I am hungry, I order something and so on. Now let us look at another facet of the product and the related terminology that is associated with product commercialization, which is a stage, which is usually the last part of a development cycle of a new product.

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**Terminologies associated with product**

- **Product commercialization** is a stage (usually the last) in the development cycle for a new product. Commonly, it is thought to be all the activities involved in introducing the product into the marketplace. Activities that are involved with commercialization include manufacturing and distribution, as well as promotion.
- **Product launch** involves introduction of a new product to market, usually accompanied by advertising and other marketing communications. It is a part of commercialization.

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

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And we will be talking about that at lengths because that is the main stake. Once you have everything in place commercialization is the main stake. Commercialization is wherein you know it will be accepted as a product against which there would be a price to be paid by the customer and so on.

So, commercialization perspective commonly is thought to be all the activities involved in introducing the product into the marketplace. Activities that are involved with commercialization include manufacturing and distribution as well as promotion although, it is like that, but the fundamental aspect is that has it fetched a transaction that is where you know commercial value of a product comes in.

And then all the products are known by their commercial value and when we will discuss branding you would understand that how it gets differentiated with reference to a brand being a brand and that adds lots of value to that kind of a discussion when we look into the commercial value of a particular product is higher than a similar product. And that is where brand contribution comes in. We will be talking about that extensively. These are just the glimpses of what is coming in store.


We have lots of narratives, lots of stories, lots of examples for you in subsequent discussions. Please just bear with me for a while when we keep on building upon these terminologies and then some classification and then it would be a beautiful story part of the subject which you would get entertained by. And then you would not actually get confused on when terms would be repeatedly used.

So that is the perspective which we are trying to build up here then there is product launch it involves introduction of a new product to the market, usually accompanied by advertising and other marketing communications it is a part of commercialization as such. You see launches are vast many a times. They have a sequence of events associated with them.

For example, a car is to be unveiled you know a new automotive is to be launched for example a new model is to be launched and that launch is associated with so many things. When you plan an advertisement about it, you plan an event about it, you plan to put it somewhere in an auto show and you want to bring in some celebrity on board to be associated with that launch and so many things are associated with that.

Another example a product which is not so price sensitive. A particular kind of a model of a pen is to be launched and similar kinds of exercises but slightly on a lower scale are to be done. Movie launches are actually as far as their character goes and if you will go into the stories of how dark knight came in, how spider-man came in and how Baahubali came in you would realize that what kind of perspective movie launches carry along with them. And how important it is if you will look at them as products and you would not disagree with me when you say that Baahubali kind of movies have done exceptionally well.

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**Terminologies associated with product**

- **Product adaptation** is altering the product to meet local conditions or preferences. Some of the factors that contribute to the need for product adaptation include Cultural factors, Climate, Customer preferences, Customer purchasing power, Tax laws, Restrictions, Quality standards, Safety standards.

For Example:

1. **Car models:** Across the world, car models are modified or altered based on the country they are sold in. In countries like USA, France, Germany etc. some vehicles are left-hand drive whereas right hand drive cars are available in India, UK, Australia etc. Hence the same car brand & model is adapted as per the laws.
2. **Food products:** McDonalds, a brand built on providing high quality meat products, has adjusted its menu in India. Its localized menu items include *McAloo tikki burgers* (mashed potato patty) and *McSpicy Paneer* with Indian spices.

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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So, then comes in product adaptation. It is altering the product to meet local conditions or preferences. When a particular product say a burger looks into the local taste and adapts to that wherein customer expects that kind of a taste in her burger. So, that is where in

multinational chains they are coming with. Chains which have come to India and are continuously coming in further also are on the similar path.

They are continuously studying consumer behaviour which is related to the local perspective that is localized choices. So, their adaptation comes in and this adaptation many a times is related to change in production processes procurement of raw material also. See adaptation is not simple when you say that you are bringing a particular kind of a change in a particular kind of a product which is you know related to local market conditions.

For example, if I am talking of an automotive, local driving conditions, if I am talking of food products local taste and those kinds of things are to be considered. So, that simple kind of a thing may actually alter so many things in whole of the value chain. Wherein, you see that particular kind of a raw material has to be procured for some from somewhere so that is again another kind of a process.

Then processes might have to develop. Some processes have to be dealt with a different context for example a furniture company coming to India might find that there are rules and regulations which are associated with sustainability (which are very strong in India) and then we should also be happy about it, but then they have to adapt themselves wherein they would not find the wood readily available for processing and converting that into furniture.

So, either they have to look into for some other material or they have to look into some processing wherein they can go within the permissible limits, but the context, the essence, the style the design does not gets hampered. But you see all these changes are actually indicating towards so many changes at the backend. Technological adaptation, procurement adaptation, processing adaptation and so on.

So, it might be a very simple thing to say that product has adapted or organization has you know customized the product according to the local needs but that is a change in its entirety actually. So, as I was saying, some of the factors that contribute to the need for product adaptation include cultural factors, climate, customer preferences, customer purchasing power, tax laws, restrictions, quality standards, safety standards and so on.

And as I was referring to automotive model so for example across the world car models are modified and altered based on country they are sold in and in countries like USA, France, Germany etc. some vehicles are left hand drive or driven. Whereas, right hand drive cars are

available in India and everywhere the same car brand and model is adapted as per the laws and regulations.


So, this is a simple example but believe me changing driving from this side to that side requires some effort. And then food products as I was talking about like you know burgers so McDonald's Aloo Tikki burger is a very prominent example on that and then McSpicy paneer with Indian spices and so on and several other products we are aware. And sometimes we do wonder why and how that organization could understand us so well that they actually produce something which is specifically related to our choices. Now, that is a wonderful thing and that is what product management is.

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**Terminologies associated with product**

- **Minimum viable product (MVP)** is a version of a product with just enough features to be usable by early customers (early-adopters) who can then provide feedback as quickly as possible, which they can use to iterate and improve for future product development.
- **Minimum marketable product (MMP)** is a product that has the simplest features yet is made more presentable to be launched in the market. It offers all the benefits that an MVP offers

Source: Ries, E. (2011). *The lean startup: how today's entrepreneurs use continuous innovation to create radically successful businesses.*



Minimum Viable Product

Minimum Marketable Product

Product

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So, when we talk of MVP is a version of a product with just enough features to be usable by early customers early adapters who can then provide feedback as quickly as possible which they can use to iterate and improve for future product development. You know for example you have prepared a doughnut and the early consumers they give you a perspective around that this is how this can be developed further it happens many a times in case of tea and you know other beverages and so on.

And then minimum marketable product is a product that has the simplest features yet is made more presentable to be launched in the market. It offers all the benefits that an MVP offers. So, you see in the product terminology you would find it common when they say MVP and MMP and so on and that would be reflected at other levels as well and this I have adopted

from Ries and the reference is given in detail. Then there is another important element related to recalling the product. Now, this you have heard many a times.

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**Terminologies associated with product**

- **Product recall:** The withdrawal and request for return of a product by the manufacturer or distributor in order to remedy or replace it due to the detection of a fault or faults which render it unfit for the purpose for which it was sold.<sup>[1]</sup>

All companies should have a clear policy of how they will deal with product defects, whether due to design or faulty materials, particularly when the incidence of defects is high.

Dan Burrows, "[10 Biggest Product Recalls of All Time](#)", Berkley Global Product Recall, Kiplinger, March 26, 2018 <sup>[2]</sup>

Source: [1] Pagiavlas S, Kalaignanam K, Gill M, Bliese PD. Regulating Product Recall Compliance in the Digital Age: Evidence from the "Safe Cars Save Lives" Campaign. Journal of Marketing. October 2021. doi:10.1177/00222429211023016  
[2] Dan Burrows, "[10 Biggest Product Recalls of All Time](#)", Berkley Global Product Recall, Kiplinger, March 26, 2018

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And you see there is a reference to 10 biggest product recalls of all times. The reference is given wherein Berkley Global Product Recall, March 26, 2018 has the complete reference there for you wherein you can go into that detail and you will find that there have been so many instances.

And believe me it is not that we should be actually focusing upon as a fault-finding kind of a thing. It is actually a proactive thing from the side of the manufacturer because manufacturer recalls the product because they are continuously wondering upon that if something has gone wrong when they were producing the product. You see they try to do their best to keep up the quality levels and we have talked about quality earlier as well but, many a times despite of all the strong processes, despite of all the efforts, despite of all the human intelligence and software and artificial intelligence, we still have a scope of that a fault remains within the product, and the recall is a reflection of their consideration that they are not only accepting that something was overlooked but they bring it back, correct it, and then send the product back.

So, product recall is wherein it is related to the withdrawal and request for return of a product by the manufacturer or distributor in order to remedy or replace it due to the detection of a fault or faults which render it unfit for the purpose of which it was sold. Technically customer

feels that but that is identified many a times by manufacturer, accepted by the manufacturer and then the process is taken forward.

You see all companies should have a clear policy of how they will deal with product defects whether due to design or faulty materials particularly when the incidence of defects is high and so on. But, despite of the fact that they do well, they are still ready for such kind of things which come in.

We will talk about this that it hampers the growth of the product in due course of time and people find product not so trustworthy in due course of time and then there are several kinds of campaigns and trust building exercises which are done by organizations which they are quite successfully doing as well have to take place, wherein it effects the brand equity as well in due course of time and that we will talk about not specifically focusing upon the fault but when we will be referring to the elements which build up a brand.

Now, then comes in product abandonment and I would like to call it exit actually. So this is a different kind of an abandonment, which is when you leave the product and let it go. Text uses that but it is my personal thought that though not denying the terms given by the authors I wish to call it exit by choice.

Product is owned by organizations. Products are babies of organizations passionately built, nurtured so much so that they live with the products and when we will talk about how people drive those products you would realize that product and brand managers actually put in so much of energy in doing that, and then once you feel that way and at the end of the day you say ‘abandonment’ so that does not suit me so with all due respect, I will call it ‘exit’ that, it was let go.



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**Terminologies associated with product**

- **Product abandonment** (also called a product deletion or product elimination) is the discontinuance of a marketed product. <sup>[1]</sup>  
Product Abandonment may occur at any movement, from shortly after launch (a new product failure) to many years later.  
For example, After 37 years of legacy, Maruti Suzuki discontinued the 'Maruti 800' from its model line in India in 2014. <sup>[2]</sup>  
Cadbury. <sup>[3]</sup> <sup>[2]</sup>

Source: [1]Common Language Market Dictionary, Marketing Accountant Standards Board. Retrieved November 15, 2021, from <https://marketing-dictionary.org/>  
American Marketing Association, AMA Dictionary.  
[2] <https://auto.hindustantimes.com/auto/news/end-of-the-road-for-india-s-beloved-maruti-800-company-stops-production/story.html?it=7437360&it=7437360>  
[3]. <https://www.bloomberg.com/news/articles/2015-12-23/if-you-loved-watermelon-oreos-you-may-be-a-harbinger-of-failure>

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Many a times many authors have called it product deletion, but, to me again that is not so much adaptable kind of a term. So, product elimination is also many a times very raw but if you will take my advice call it product exit. Now, it is the discontinuance of a marketed product. You see product exit may occur at any moment even shortly after launch of a new product and again I would refrain from calling it a product failure, wherein, I would like to give you my view that product failure is not to be specifically taken as a failure, rather, it is to be seen with lesser acceptance from the side of the customer. And you see why? because there can be so many reasons.

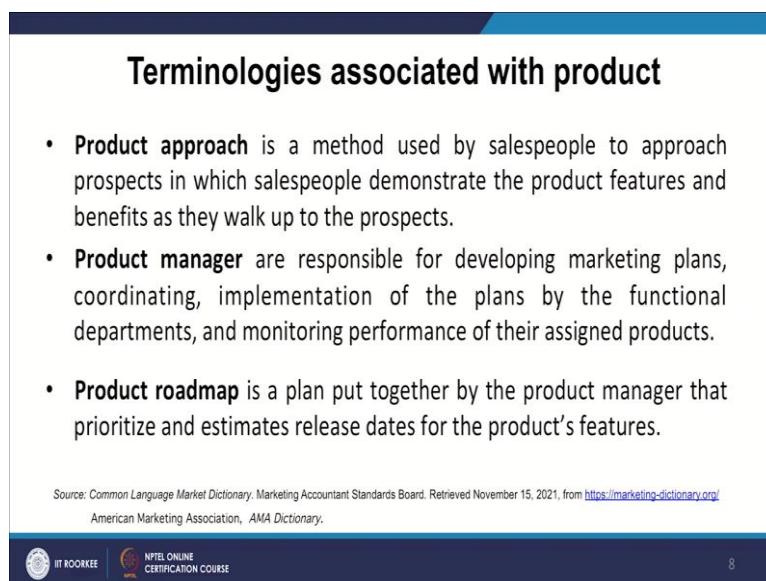
Because we could not assess the customer rightly, we could not assess the core need of the customer rightly, we could not put in you know a match between the need and the product itself and so on. So, ultimately, I would not say that the exit came in because the product failed, I would say that exit at any stage came in because either it has lived up its life (we will see that in product life cycle and detailed discussion subsequently as well) or it was not so well accepted despite of all our efforts to understand consumer behaviour in future related to our newer product which we are intending to launch and so on. So, have this word of caution from my side if you accept then please follow this perspective on saying that it is exit and non-acceptance rather than calling it a failure.

So, now you see for example after 37 years of legacy Maruti Suzuki discontinued Maruti 800 from its model line in India in 2014. That was a very thoughtful effort. It took a long-long

time for them to take it away from the customers and to bring in a substitute to that. So, you see it was a deliberate strategic exercise and that is where I call it exiting the product.

So, bringing it towards the end or supporting the product towards the end of its life cycle and bringing a newer substitute (and we will look at that) may be seen with the perspective of that it was not allowed to decline but it was actually exited from a particular position from where the other substitute picked up and it grew and took the whole cycle towards a growth. We will be talking about these kinds of things later on so just bear with me till then.

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**Terminologies associated with product**

- **Product approach** is a method used by salespeople to approach prospects in which salespeople demonstrate the product features and benefits as they walk up to the prospects.
- **Product manager** are responsible for developing marketing plans, coordinating, implementation of the plans by the functional departments, and monitoring performance of their assigned products.
- **Product roadmap** is a plan put together by the product manager that prioritize and estimates release dates for the product's features.

Source: Common Language Market Dictionary, Marketing Accountant Standards Board. Retrieved November 15, 2021, from <https://marketing-dictionary.org/>  
American Marketing Association, AMA Dictionary.

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Now, you see product approach is a method used by sales people to approach prospects in which sales people demonstrate the product features and benefits as they walk up to the prospects and so on and a product manager one of the most important persons associated with what we are talking about because these are the people who actually drive all these things, and are at the hub and at the centre of the situation and if you are a product manager you are the person who understands everything related to product who understands all the terms, who understands everything in detail what is going on around are responsible for developing marketing plans, coordinating and implementation of the plans by the functional departments and monitoring performance of their assigned products and so on.

Product managers are should I say the parent figure to a product and should I say the owners of the product or should I say the drivers and you can look at them as magicians who make things happen in terms of everything which is going on around in terms of a product and product management. Now, the road map is a plan to put together by the product manager

and she estimates release dates for the products features and driving it all through. As I said product managers are drivers so they have a road map.

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**Terminologies associated with product**

- **Product concept** proposes that consumers favor products offering the most quality, performance, or innovative features. <sup>[1]</sup>
  - Marketers might have a fallacy, believing a better product will by itself lead people to beat a path to their door. A new or improved product will not necessarily be successful unless it's priced, distributed, advertised, and sold properly.
- **Product knowledge**
  - In marketing, **knowledge** refers to consumers' meanings or beliefs about products, brands, stores, etc., that are stored in memory. <sup>[2]</sup>

Source: 1. Source: Philip Kotler, and Kevin Lane Keller, Marketing Management 15th edition, Pearson, 2016 Indian Edition Published by Pearson India Education Services Pvt. Ltd 2016  
2. Common Language Market Dictionary, Marketing Accountability Standards Board, [Retrieved November 15, 2021], <https://marketing-dictionary.org/>

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Now, let us look at another beautiful term called product concept you see we will be looking at concepts related to product later on as well but here product concept is in itself to be seen. So, it proposes that consumers favour products offering the highest/best quality performance or innovative features. But here I should underline that while saying that as per consumers expectations as per consumers thoughts product must match the consumers thought, product must carry the reflection of what consumer expects in the product and see marketers might have a second thought believing a better product will by itself lead people to beat a path to their door and so on and you can put it in quotes and you can look at it with a poetic and a philosophical perspective, but you see a new or improved product will not necessarily be successful unless it is priced, distributed, advertised and sold properly. It is taken to the consumer with a perspective and that is where product planning in association with marketing plan comes in and we will be talking about that in subsequent sessions.

And you would realize that product management is actually not only about developing a product, looking at the aspects associated with the product, but also about taking it to its culmination wherein it becomes the part of the life of a consumer. Now, then comes in another important thing product knowledge.

See in marketing, knowledge refers to consumers meanings or beliefs about products, brands, stores, etc. that are stored in memory. So, this is quite an explicit term and you know you may

think about this in an elaborated manner and try and understand this. Then comes in product innovation and here I would spend couple of minutes wherein you see

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**Terminologies associated with product**

- **Product innovation-** An **innovation** refers to any good, service, or idea that is perceived by someone as new. The idea may have a long history, but it is an innovation to the person who sees it as new. Innovations take time to spread. Rogers defines the innovation diffusion process as “the spread of a new idea from its source of invention or creation to its ultimate users or adopters.” <sup>[1]</sup>
- For e.g., P&G is an active product innovator. The company employs 1,000 science PhDs and applies for roughly 3,800 patents each year. Part of its innovation process is to develop brands that offer new consumer benefits. Recent innovations that created entirely new categories include Febreze, an odor-eliminating fabric spray; Dryel, a product that helps “dry-clean” clothes at home in the dryer; and Swiffer, a cleaning system that effectively removes dust, dirt, and hair from floors.” <sup>[2]</sup>

Source: 1. Philip Kotler, *Marketing management, millennium edition*, (10th edition) Prentice-Hall, p. 355.  
2. 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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Innovation refers to any good, service or idea that is perceived by someone as new. However, conventional a product is, if it is presented in a newer form you will look at it with the perspective of innovation, even if you slightly change the shape of the bathing soap for example so that also is associated with innovation. You can put up a sense of logic there that this kind of a change in the shape would enable the soap not to dissolve so easily.

Because the surface does not touch the soap dish always therefore that kind of a change also is innovation. And you see this is the beauty of product management that is the product manager continuously keeps on thinking in terms of what else and that is where innovation comes in. The idea may have a long history but it is an innovation to the person who sees it as new.

Innovation takes time to spread and then there are several aspects to it and we will keep on referring to that when we will be talking about innovation design thinking and so on. Then we can take an example of Procter and Gamble which is an active product innovator and the company employs almost 1000 science PhD's and applies for roughly 3800 patents each year.

There is a reference given on that and that is where they focus upon innovation to be a main element of their product development. Recent innovations that created entirely new categories include Febreze an odour eliminating fabric spray, Dryel a product that helps dry

clean clothes at home in dryer and Swiffer a cleaning system that effectively removes dust dirt and hair from floors and so on.

So, there are several examples on innovation and I will be talking about two more elements which can be seen as concepts as well as terminology associated with product in my subsequent session. Those elements are related to product positioning and product life cycle. And subsequent to that I will be coming up with other insights wherein we would be talking about concepts/specific concepts related to product.

Till then enjoy whichever way you wish to look at the introductory phase of our discussion. Just ponder upon it, think about it, keep sending questions, keep associating whatever we are discussing with the examples around you, and that is the biggest thing which one must do. I will see you next time till then good bye.