

**Class: B.Com (Hons) Semester VI**

**Subject : BCP 6.2 PRINCIPLES OF MARKETING**

**Topic: Product- Meaning, Definition, Characteristics:**

**1: Meaning:**

Product is one of the important elements of marketing mix. A marketer can satisfy consumer needs and wants through product. A product consists of both good and service. Decisions on all other elements of marketing mix depend on product. For example, price is set for the product; promotional efforts are directed to sell the product; and distribution network is prepared for the product. Product is in the center of marketing programme. Therefore, product has a major role in determining overall success of marketing efforts.

A marketer tries to produce and sell such products that satisfy needs and wants of the target market. Other words used for product are good, commodity, service, article, or object. In marketing literature, product has comprehensive meaning.

## **1.2: Definitions of Product:**

Term product has been variously defined by the experts in the field.

### **1. Philip Kotler:**

“Product is anything that can be offered to someone to satisfy a need or a want.”

### **2. William Stanton:**

“Product is complex of tangible and intangible attributes, including packaging, colour, price, prestige, and services, that satisfy needs and wants of people.”

### **3. W. Alderson:**

“Product is a bundle of utilities, consisting of various product features and accompanying services.”

### **4. We can also define the term as:**

Product is a vehicle or medium that delivers service to customers.

### **5. Further it can be said:**

Product is a bundle of benefits-physical and psychological- that marketer wants to offer, or a bundle of expectations that consumers want to fulfill. Marketer can satisfy needs and wants of target consumers by products. Product includes both good and service. Normally, product is taken as a tangible object, such as a pen, television set, bread, book, vehicle, table, etc. But, tangible product is a package of services or benefits.

Marketer should consider product benefits and services, instead of product itself. Importance lies in the services rendered by the product, and not

tangible object itself. People are not interested just possessing products, but the services rendered by the products.

For examples, we do not buy a pen, but writing service. Similarly, we do not buy a car, but transportation service. Just owning product is not enough. It must serve our need and want. Thus, physical product is just a vehicle or medium that offer services, benefits, and satisfaction to us.

**Product can also be referred as a bundle of satisfaction, physical and psychological both. Product includes:**

**1. Core Product:**

Core product includes basic contents, benefits, qualities, or utilities.

**2. Product-related Features:**

They include colour, branding, packing, labeling, and varieties.

**3. Product-related Services:**

They include after-sales services, installation, guarantee and warrantee, free home delivery, free repairing, and so forth. As per the definition, anything which can satisfy need and want of consumers is a product. Thus, product may be in form of physical object, person, idea, activity, or organisation that can provide any kind of services that satisfy some customer needs or wants.

**1.3: Characteristics of Product:**

**Careful analysis of concept of product essentially reveals following features:**

1. Product is one of the elements of marketing mix or programme.

2. Different people perceive it differently. Management, society, and consumers have different expectations.
3. Product includes both good and service.
4. Marketer can actualize its goals by producing, selling, improving, and modifying the product.
5. Product is a base for entire marketing programme.
6. In marketing terminology, product means a complete product that can be sold to consumers. That means branding, labeling, colour, services, etc., constitute the product.
7. Product includes total offers, including main qualities, features, and services.
8. It includes tangible and non-tangible features or benefits.
9. It is a vehicle or medium to offer benefits and satisfaction to consumers.
10. Important lies in services rendered by the product, and not ownership of product. People buy services, and not the physical object.

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