



Setting Product Strategy

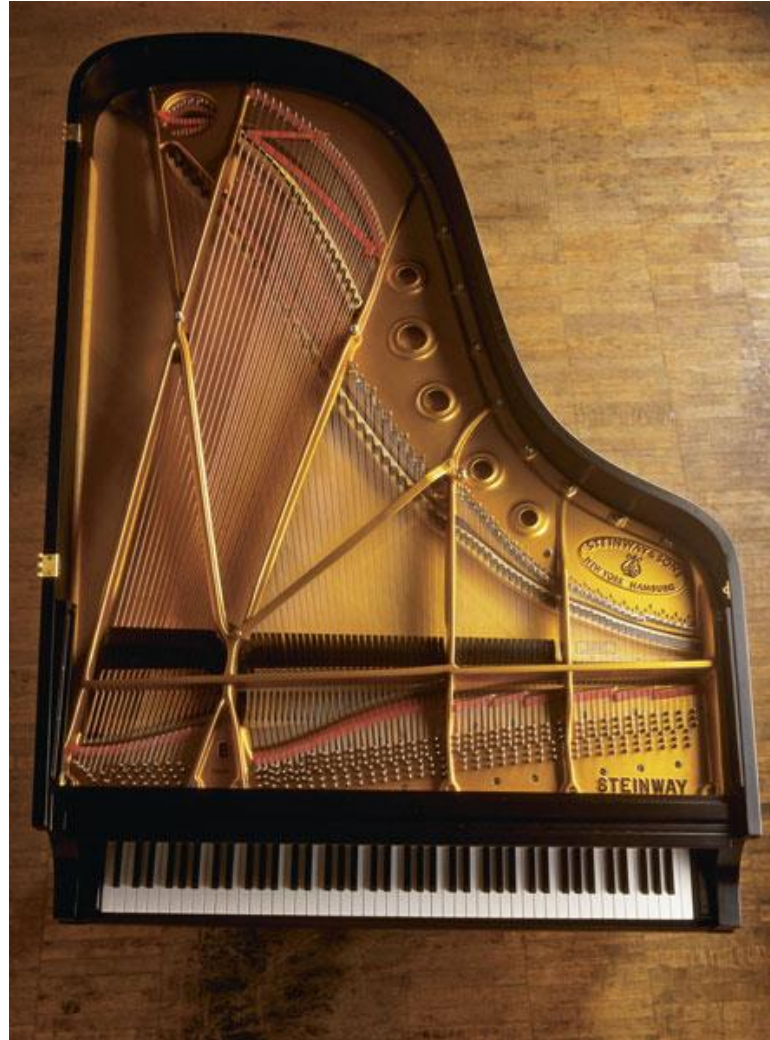


Chapter Questions



- What are the characteristics of products and how can they be classified?
- How can companies differentiate products?
- How can a company build and manage its product mix and product lines?
- How can companies combine products to create strong co-brands or ingredient brands?
- How can companies use packaging, labeling, warranties, and guarantees as marketing tools?

At the heart of a great brand is a great product



Product

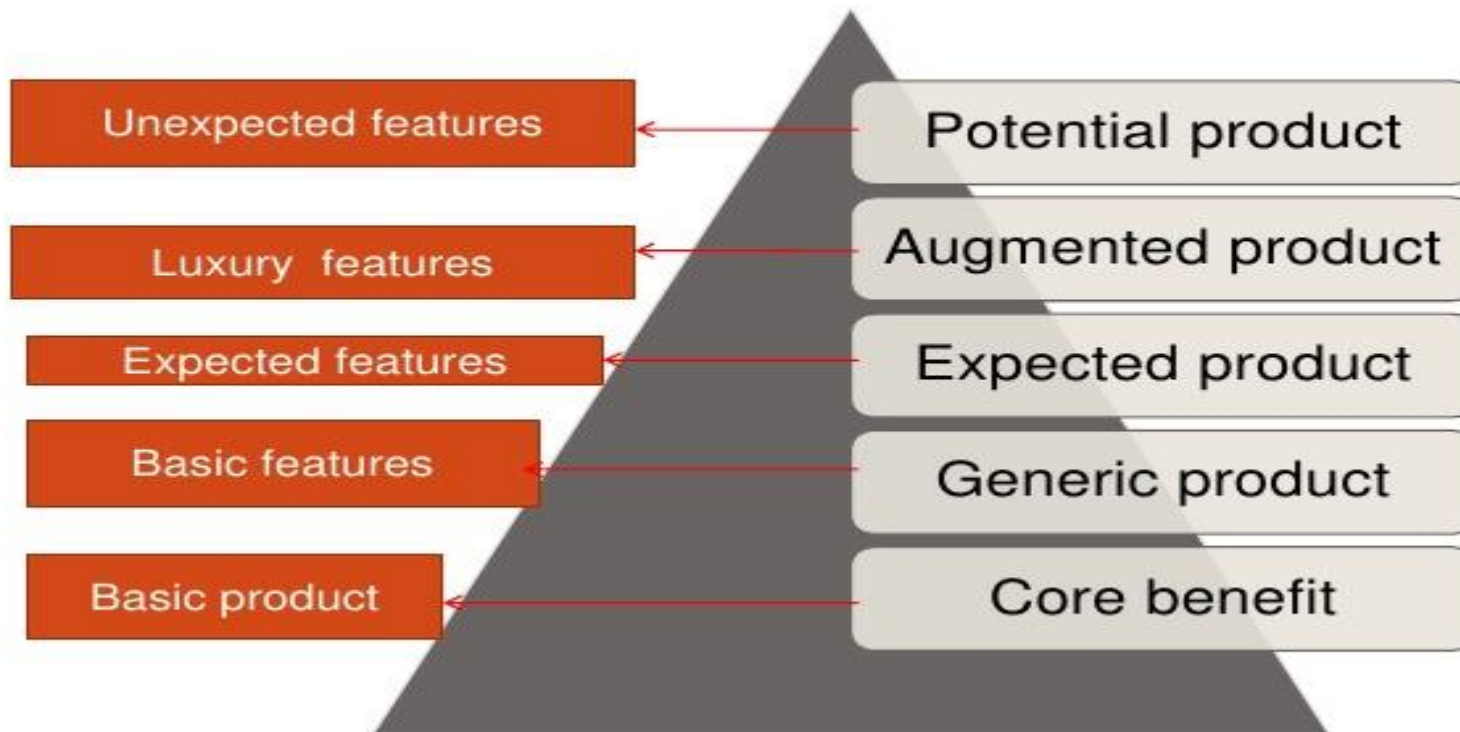


Anything that can be offered to a market to satisfy a want or need.

Five Product Levels



Levels of product



Durability and Tangibility

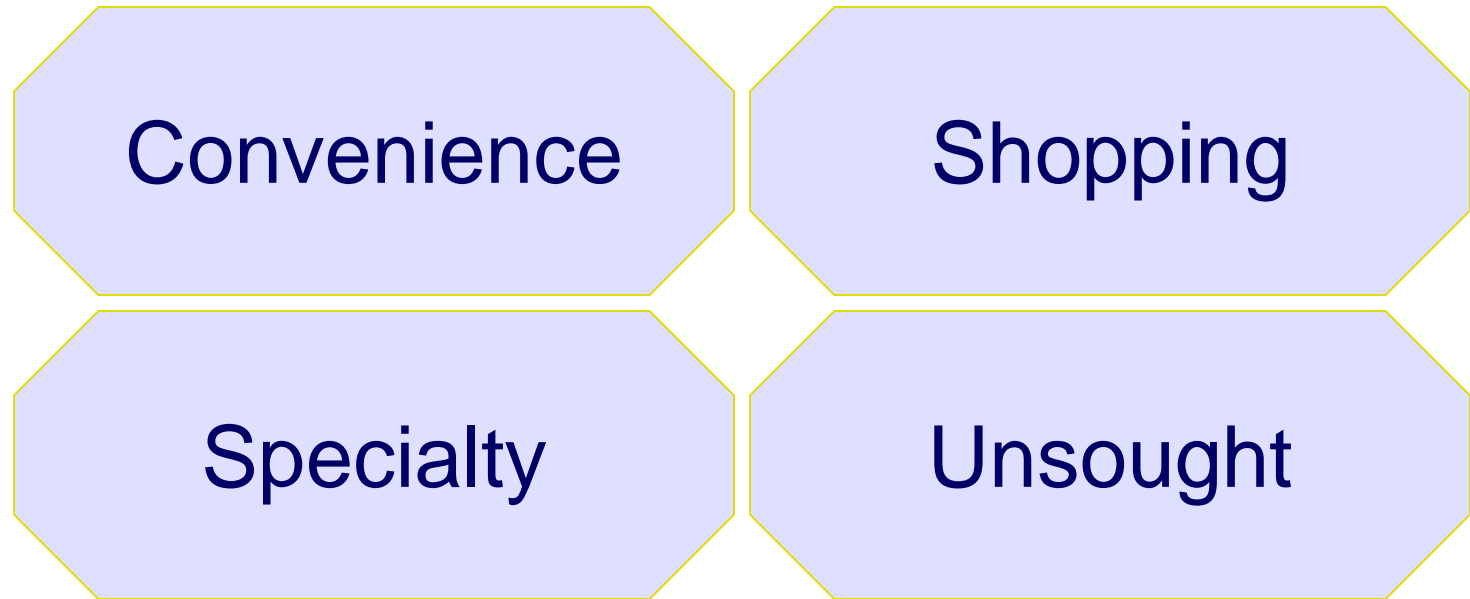


**Nondurable
goods**

**Durable
goods**

Services

Consumer Goods Classification



Product-Mix Pricing



- Product-line pricing
- Optional-feature pricing
- Captive-product pricing
- Two-part pricing
- By-Product Pricing
- Product-bundling pricing

Co-branding



CO-BRANDING



Packaging: The 5th P



All the activities of designing and producing the container for a product.

Packaging has been influenced by...



Self-service

Consumer affluence

Company/brand image

Innovation opportunity



Warranties and Guarantees



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Welcome

Send Money

Request Money

Merchant Tools

Auction Tools

Money Back Guarantee

Safeguard your online purchases with PayPal's Money Back Guarantee.

When you make a payment on the PayPal website, you can now buy a Money Back Guarantee to protect your purchase of physical goods on selected transactions. If you purchase the Money Back Guarantee, you will have the option to return your merchandise to PayPal in exchange for a reimbursement (not including the Guarantee fee), provided that you file a complete reimbursement request within 45 days of payment.

This program will only be offered for tangible goods transactions of less than \$1,000.00 USD with pre-qualified sellers. PayPal may take additional criteria into account in deciding whether to offer the Money Back Guarantee on a particular transaction.

You will know if a transaction qualifies when you get to the Confirm Payment Details page. If we are offering the Money Back Guarantee, you will see a check box quoting the price of the Guarantee for that transaction. Just click on the box before you send payment. For more complete information about the Money Back Guarantee and its specific exclusions and fees, please go to the [Money Back Guarantee Policy](#) of the [User Agreement](#).