

IISWBM-2026

Product Management

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Marketing Mix

Marketing mix is the set of controllable tactical marketing tools—product, price, place and promotion that the firm blends to produce the response it wants in the target market

Product

Variety
Quality
Design
Features
Brand name
Packaging
Services

Price

List price
Discounts
Allowances
Payment period
Credit terms

Promotion

Advertising
Personal selling
Sales promotion
Public relations

Place

Channels
Coverage
Assortments
Locations
Inventory
Transportation
Logistics



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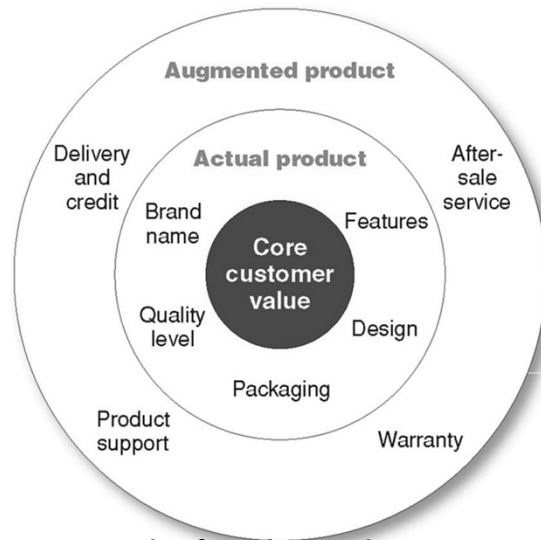
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Product

What Is a Product?

- A Product is anything that can be offered in a market for attention, acquisition, use, or consumption that might satisfy a need or want.
- Services are a form of product that consists of activities benefits or satisfaction offered for sale that are essentially intangible and do not result in ownership of anything.



Levels of Product and Services

Ref. Principles of Marketing, Kotler & others : Ch.8

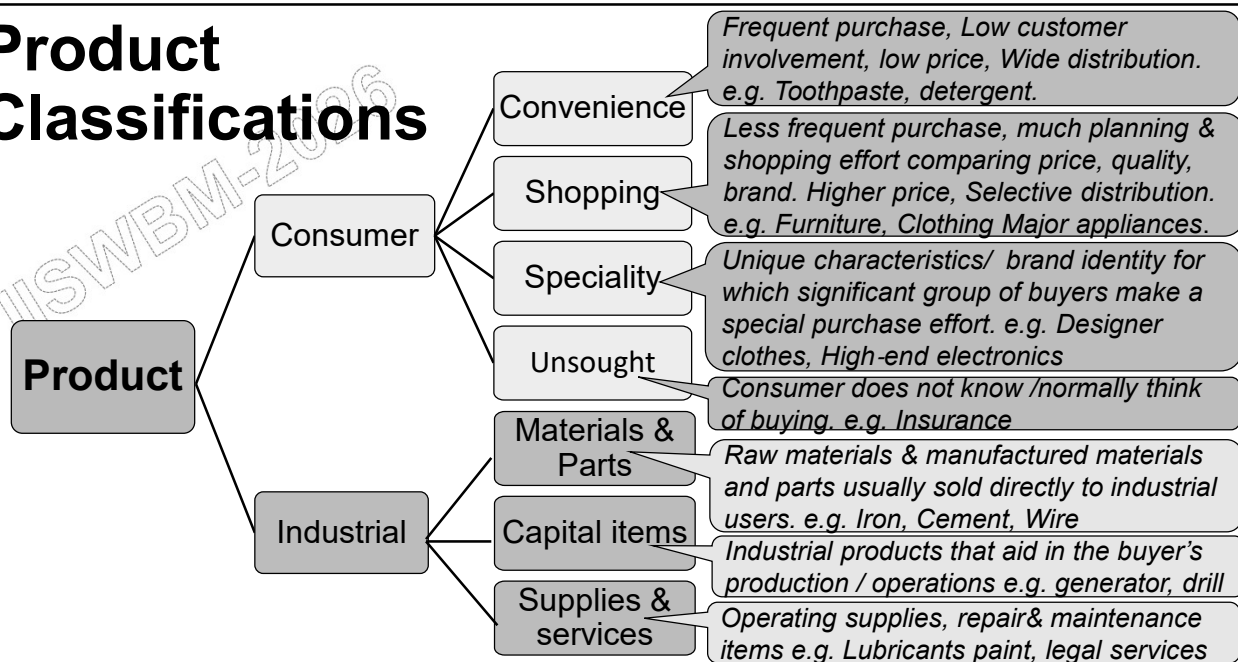
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Product Classifications



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Corporate Strategy & Product Policy

Strategy: The art of devising or employing plans toward a goal – dictionary meaning

Most large companies consist of FOUR organizational levels : -

1. Corporate : Corporate HQ is responsible for designing a corporate strategic plan to guide the whole enterprise which covers decision about resource allocation to divisions and which product to start / eliminate.
2. Division : Each division allocates funds to business units within the division.
3. Business unit : Each business unit develops a strategic plan to make the business unit profitable.
4. Product : Finally , each product level (product line, brand) develops a marketing plan to achieve objectives.

Marketing plan specifies product features, pricing, promotion, sales channel and service.

Ref. Marketing Management , Kotler & Keller : Ch.2, Page 36

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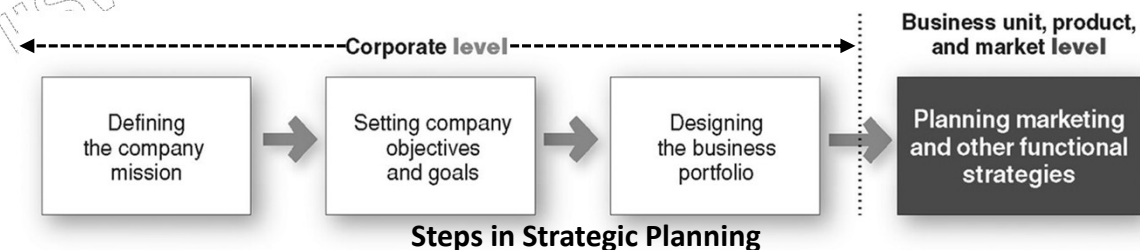
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Companywide Strategic Planning

Strategic planning : Process of developing and maintaining a strategic fit between the organization's goals and capabilities and its changing marketing opportunities



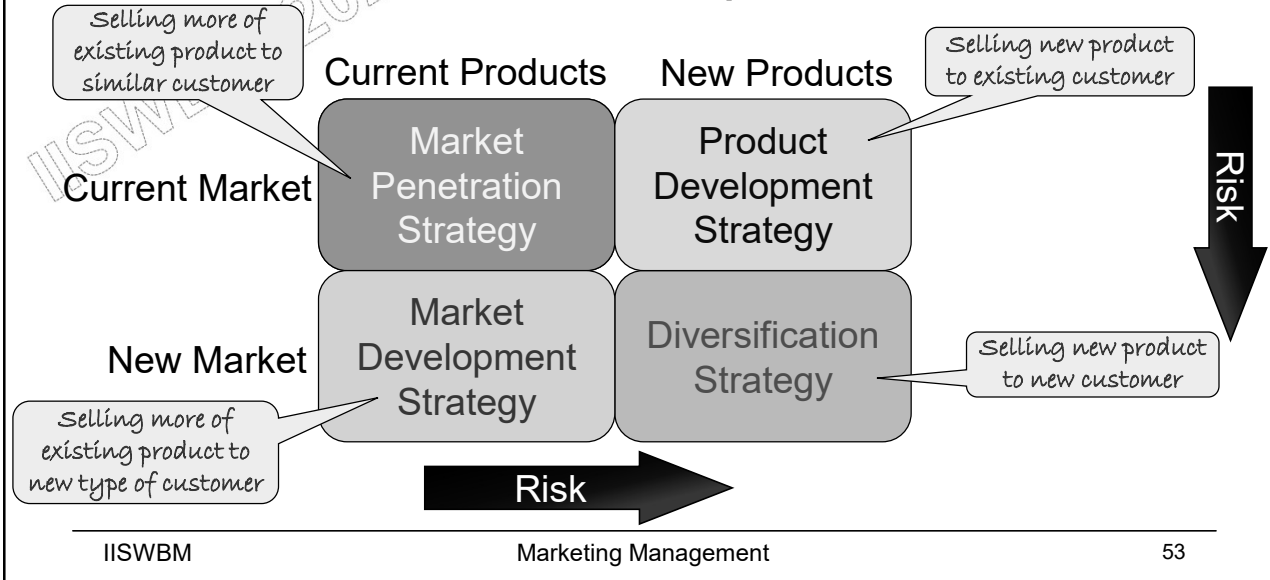
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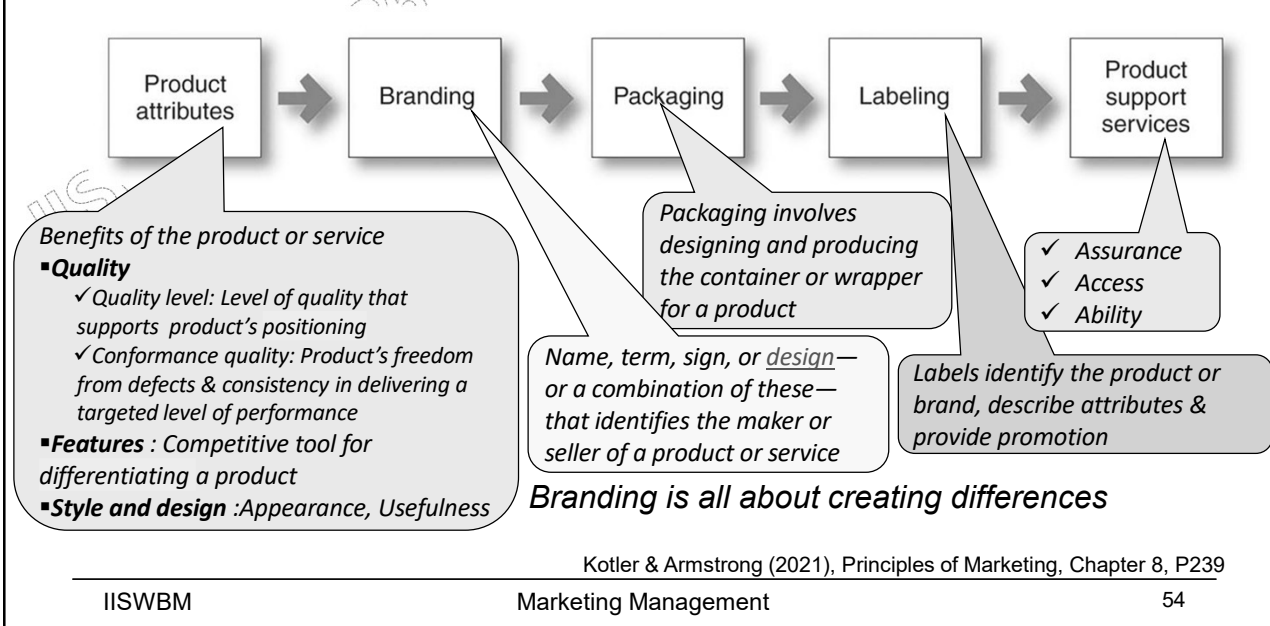
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Intensive Growth Strategies : Ansoff's Product-Market Expansion Grid



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Product & Service Decisions



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Product Mix

Product mix : Complete set of all products a company offers for sale. A product mix (or product portfolio) consists of all the product lines.

Product line: Group of products that are closely related because they function in a similar manner, are sold to the same customer groups, are marketed through the same types of outlets, or fall within given price ranges.

A company's product mix has four important dimensions-

1. Width: Number of different product lines the company carries.
2. Length: Number of items in the product line
3. Depth: Number of variants offered within each line (sizes, flavours, formulations).
4. Consistency: How closely related the lines are in end use, production, or distribution.

Product Mix in Practice: Hindustan Unilever

- Width: HUL's mix spans roughly 15 FMCG categories, from home care to foods and personal care.
- Length: HUL markets a portfolio of 50+ brands built up over nine decades in India.
- Depth: Within one line of skin cleansing, HUL runs multiple brands (Lux, Lifebuoy, Dove) at different price and benefit tiers.
- Consistency: Home care and personal care lines share retail and distribution channels, even though end uses differ widely.



Personal care



Home care



Foods & refreshment

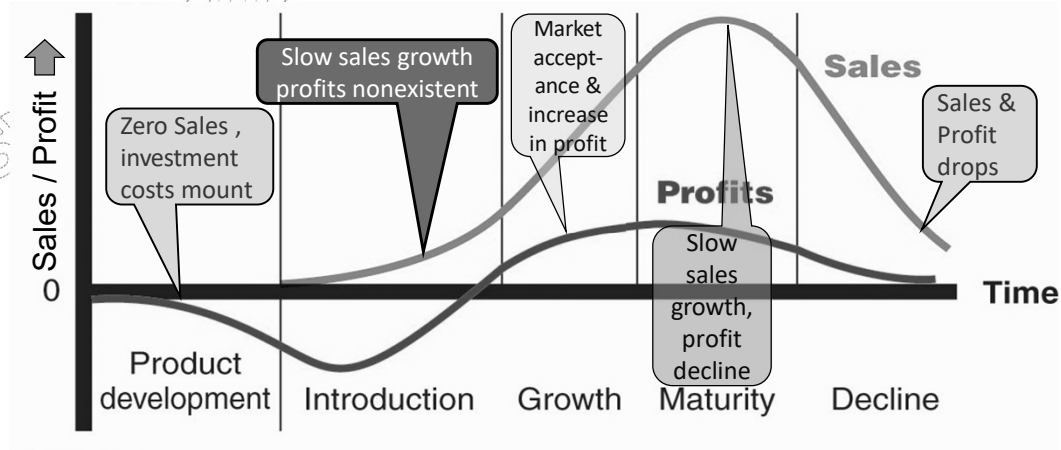


Beauty

A wide, deep mix helps HUL hold more shelf space and defend share across price segments.

Source: HUL corporate disclosures and FY2025-26 investor reporting

Product Life-Cycle



Moral : Companies must continually innovate, or they risk extinction

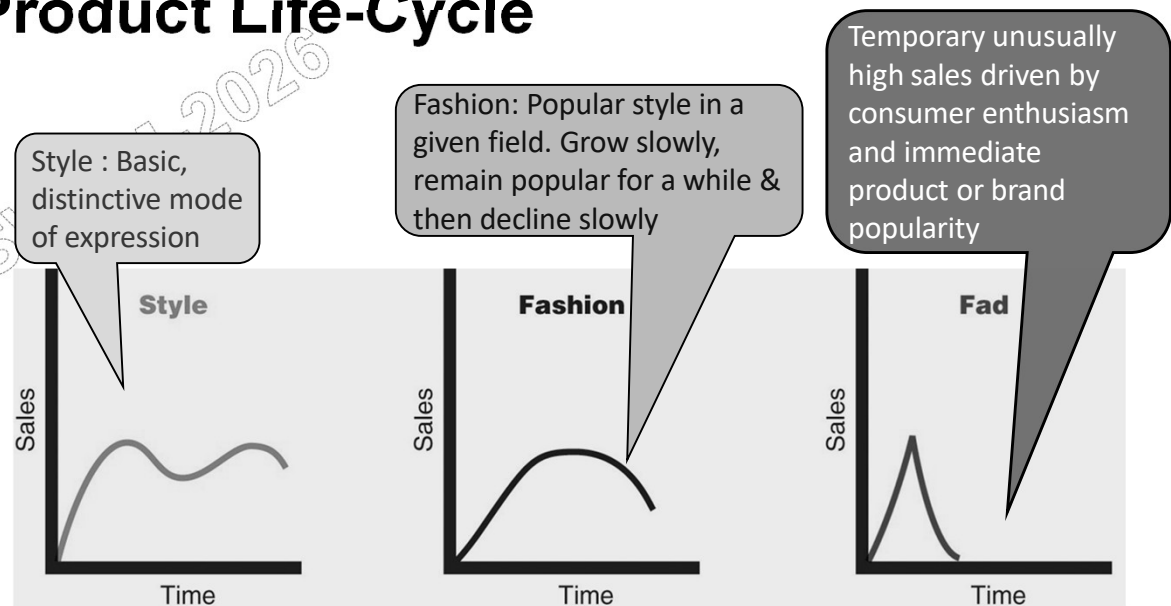
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Product Life-Cycle



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PLC Strategies

- Introduction
 - ✓ Choose launch strategy consistent with product positioning
 - ✓ Focus on those buyers who are most ready to buy
 - ✓ High distribution and promotion expense
- Growth
 - ✓ Improve product quality, add features and models to combat new competitors entering the market
 - ✓ Price stability / decline to increase volume
 - ✓ Consumer education
 - ✓ Promotion and manufacturing costs gain economies of scale
- Maturity
 - ✓ Increased promotion and R&D to support sales and profits
 - ✓ Emphasize Competitive advantage
 - ✓ Market modifying
 - ✓ Product modifying
 - ✓ Marketing mix modifying
- Decay
 - ✓ Maintain
 - ✓ Harvest
 - ✓ Drop

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Promotion & PLC

Stage	Approach	Activity
Introduction	Inform	Publicity, Advertising, Focus on Sales Force & Intermediaries Sales promotion e.g. Free samples
Growth	Persuade	Differentiate from competitors offering Reminder advertising
Maturity	Remind	Sales promotion e.g. Coupons
Decay	Cut budget	Succession Planning ?

.....Emphasis changes with position in PLC

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Marketing of Services

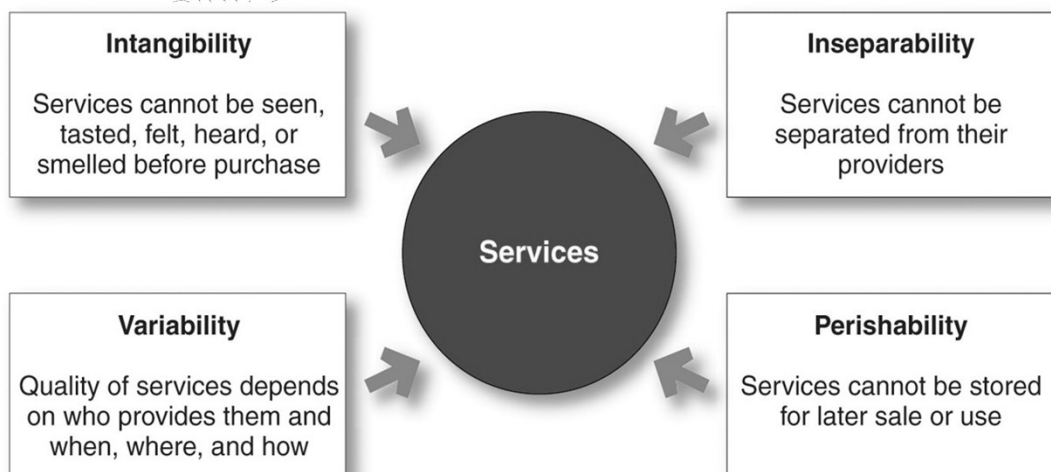
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Characteristics of Service



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Intangibility

- Difficult to define, measure, understand, demonstrate, communicate
- Services cannot be inventoried
- Difficult to protect through patent
- Services cannot be readily displayed
- Pricing is complicated

CHALLENGES

Inseparability

- Service cannot be separated from producer
- Customer is present and participates as service is produced
- Simultaneous production & consumption
- Impact of ambience on customers' perception

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Variability (Heterogeneity)

- Lacks standardization - Difficult to specify & measure
- Inconsistency : Outlet / Individual / Time
- Uncontrollable factors
- Not sure that the service delivered matched the promise

CHALLENGES

Perishability

- Cannot be produced in quantity and stored for later usage /sales
- Waiting – Queue – Overcrowding – Opportunity loss
- Excess capacity – revenue loss
- No time for postproduction quality check

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Classification of Service

1. End User
 - a) Individual consumer as end user: e.g., Hairdresser, Packaged holiday.
 - b) Business to business end user: e.g., Ad agency & marketer.
 - c) Industrial end user: e.g., Project consultancy.
2. Degree of Tangibility
 - a) Highly Tangible Service: Car rental.
 - b) Service Linked with tangible goods : After sales service of consumer durable.
 - c) Highly Intangible Service: Consultancy.
3. People Based Service
 - a) High contact : Teaching, Surgery Tangible Service : Car rental
 - b) Low Contact : Web based, ATM
4. Expertise
 - a) Service by organization with high professional expertise
 - b) Service by individual expert
5. Profit Orientation
 - a) Commercially oriented
 - b) Nonprofit organisation

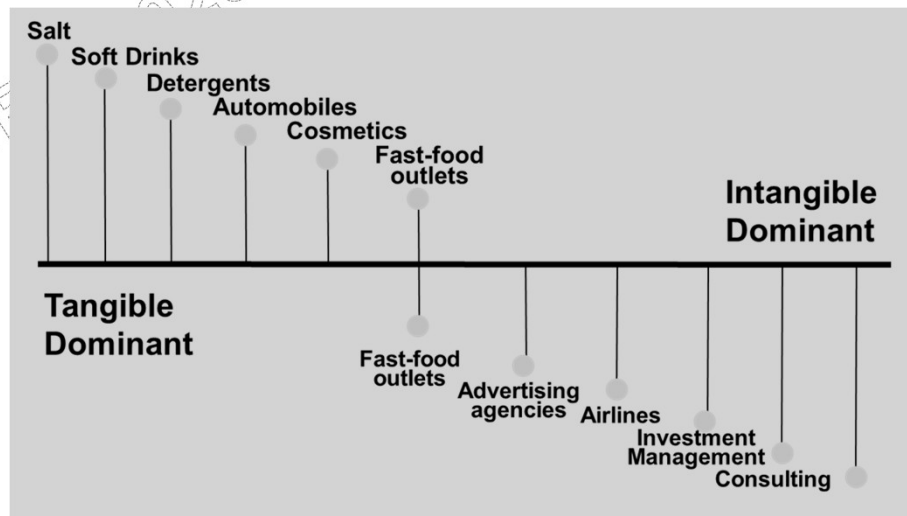
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Tangibility spectrum



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Goods vs Services

Goods	Services	Resulting Implications
Tangible	Intangible	Services can not be inventoried Can not be easily patented Can not be readily displayed
Standardized	Heterogeneous	Service delivery and customer satisfaction depend on employee and customer actions. Service quality depends upon many uncontrollable factors.
Nonperishable	Perishable	It is difficult to synchronize supply and demand with services. Services can not be returned or resold.
Production separate from consumption	Simultaneous production and consumption	Customers participate and affect the transaction Customers affect each other. Employees affect the service outcome. Mass production is result.

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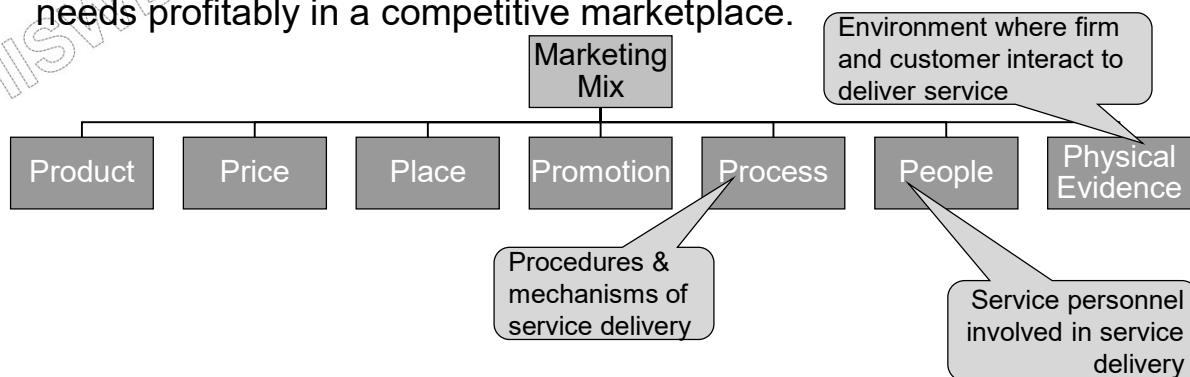
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Marketing Mix: Service - 7 Ps

(Booms & Bitner, 1981)

4Ps are Inadequate, 7 Ps” of services marketing represent the ingredients required to create viable strategies for meeting customer needs profitably in a competitive marketplace.



Ref. Services Marketing by Lovelock & Wirtz, Chapter 1

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Physical Evidence in Service

- Services are intangible
- Customers rely on tangible cues or physical evidence for evaluation of services before purchase.

Essential / Dominant Physical Evidence

- ✓ Building
- ✓ Facility exterior - e.g., Parking
- ✓ Exterior design
- ✓ Landscape
- ✓ Surrounding environment
- ✓ Interior – e.g., lobby, reception
- ✓ Equipment

Peripheral Physical Evidence

- ✓ Business cards
- ✓ Stationary
- ✓ Billing Statements
- ✓ Reports
- ✓ Employee dress
- ✓ Uniforms
- ✓ Brochure
- ✓ Internet / web pages

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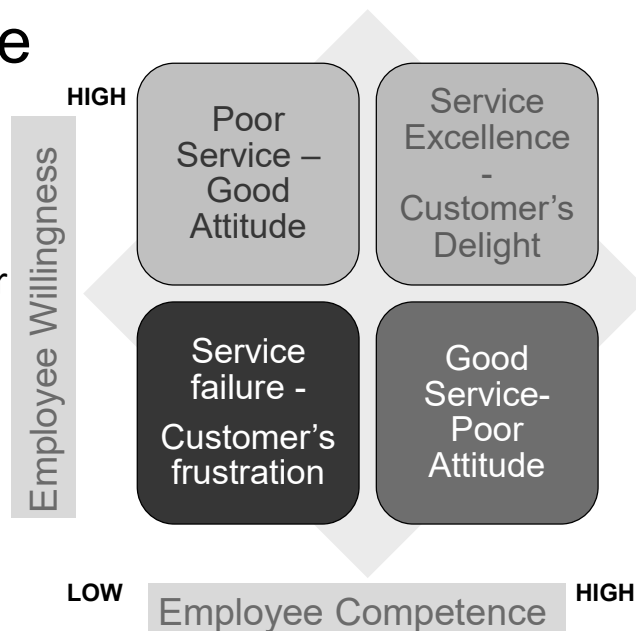
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People in Service

Employer to ensure-

- Right person for the right job
- Training of employees for improvement of their-
 - ✓ Technical skill
 - ✓ Interpersonal skill
 - ✓ Motivation level
 - ✓ Attitude
- Reward & Recognition
- Customer Relations



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Process in Service

Process refers to the procedures, mechanisms, activities and flow of actions through which a service is created and delivered to the customer.

Process is important in service marketing because it determines how efficiently, consistently and conveniently a service is delivered, directly influencing customer experience, perceived service quality, satisfaction, loyalty & competitive advantage.

Designing customer service process reduces variability by -

- Balancing demand & capability :-
 - ✓ Designing waiting system & queue configuration
 - ✓ Management of customers' psychology of waiting
- Adopting standardized procedure and training employees as required.