

CHAPTER
11

Product

Part 1: Content Review

Matching

Write the letter for the correct term for each definition on the line provided.

- _____ 1. Time when a new product is first brought to the market.
- _____ 2. Marketing professional who guides the selection of products and oversees the marketing and sales of those products.
- _____ 3. Process of making decisions about features and benefits that will help make a product successful.
- _____ 4. Written document that states the quality of a product and with a promise to correct certain problems that might occur.
- _____ 5. Responsible for an entire category of products.
- _____ 6. All the goods and services a business sells.
- _____ 7. Protects products until customers are ready to use them.
- _____ 8. Testing a service on a few select customers to make sure everything runs smoothly.
- _____ 9. Idea people have about someone or something.
- _____ 10. Using new packaging on an existing product.

Terms

- A. category manager
- B. image
- C. introduction stage
- D. packaging
- E. product manager
- F. product mix
- G. product planning
- H. repackaging
- I. trial run
- J. warranty

Completion

Fill in the blanks with the term that best completes each sentence.

Terms

- | | | |
|---------------|--------------------|---------------|
| brand | new product | product line |
| decline stage | product item | product width |
| growth stage | product life cycle | repositioning |
| guarantee | | |

- 1. The stages a product or a product category goes through from its beginning to end is the _____.
- 2. A promise that a product has a certain quality or will perform in a specific way is a _____.
- 3. A _____ is a group of closely related products within the product mix.
- 4. The period in which product sales increase rapidly is the _____ of the product life cycle.

5. A specific model, color, or size of products in a line is a _____.
6. When product sales begin to decrease, this is the _____ of the product life cycle.
7. The number of product lines a company offers is the _____.
8. A _____ is different in some way from existing products.
9. A name, term, or design that sets a product or business apart from its competition is a _____.
10. Marketing an existing product in a new way to create a new position in the minds of customers with the goal of increasing sales is _____.

True or False

Decide whether each statement is true or false. If the statement is true, write *True* on the line provided. If the statement is false, write *False* and rewrite the statement to make it true.

1. A guarantee is similar to a warranty but is not a written document.

2. Some companies provide classes or seminars to help customers learn to use their products.

3. The safety features of products never influence consumer buying decisions.

4. Special governmental agencies are not involved in setting and enforcing safety standards for certain products.

5. The packaging of consumer products is often designed to make them easier to stack or display.

6. A small change to an existing product is not considered a new product.

7. When a new-to-the-world product is successful, the rewards can be great.

8. Many existing products can be valuable for uses other than the originally intended one.

Name _____

9. The maturity stage of the product life cycle occurs when product sales are stable.

10. A saturated market is one in which most of the potential customers who need, want, and can afford a product have *not* bought it.

Part 2: Concept Review

Products

The experience of attending a sporting event involves the purchase and use of many products by both businesses and consumers. Following is a list of products or product categories. After each product or category, list all of the terms that apply: *good, service, idea, tangible, intangible, inseparable, variable, perishable, consumer product, business product*.

1. Tickets to a game

2. Caps, pennants, T-shirts, and other souvenirs

3. Arena expenses (light, sanitation, maintenance, security)

4. Concessions

5. Parking and shuttle bus service

Product Ideas

Section A

Read the following example of how a new product idea was developed. Then, using complete sentences, answer the questions that follow.

Tamara Monosoff walked into her bathroom to find that her toddler had unrolled a full roll of toilet paper from its holder. She imagined that an elastic strap fastened across the paper would keep a mess like this from happening again. Aha! A new product idea. She found an engineer to draw the design, a machinist to make a prototype, a lawyer to register her patent, and a manufacturing plant to turn out the first batch. Then, she introduced her product to a small portion of the target market in a city close to her home. Tamara found that people liked the concept of a TP Saver. Her next step was to meet with a bank loan officer, present her business plan and ask for a small loan to create attention for her product. In so doing, she wished to create a demand for her product on a much larger scale. Within a year, the TP Saver was on the market and making money.

The TP Saver is just one example of the thousands of baby products being sold today. With Americans spending six billion dollars a year on their babies, it is a great field for new products.

1. How did Tamara come up with her new product idea?

2. Who did Tamana consult with to help her design her product?

3. How did Tamara test market her product?

4. How did Tamara engage in the commercialization phase for her product?

5. Describe ways in which Tamara can evaluate the success of the TP Saver.

Section B

Now you will develop your own product idea. Your product idea might be related to organization, pet care, or car maintenance, for example. Choose a category of products from this list or come up with one of your own. Then, using complete sentences, answer the questions that follow to develop your product idea.

1. Your chosen product category: _____

Name _____

- 2. Try to look at the product category through someone else’s eyes. For example, imagine you are a cat or dog. What does your human *not* understand? Write a suggestion for how to change your viewpoint for the category you chose.

- 3. Identify the problem to be solved or the need to be met by your new product.

- 4. Brainstorm ten new product ideas. Do not worry about how good the ideas are or whether they will work.

- 5. Choose the best idea for a product from the list you developed for question 4. Describe the idea. Explain why it might sell. Describe the target market.

Product Life Cycle

Read the following descriptions of products. Identify which stage of the product life cycle the product is most likely in: introduction, growth, maturity, or decline.

1. Sneaco Sneakers are brightly colored athletic shoes that have become a hot new trend among high school students. The shoes are available in new colors every couple of months. Similar styles of shoes are entering the market in an attempt to take market share. Marketing messages from Sneaco encourage customers to wear the latest colors available in order to stay on trend. Sneaco has also launched an intensive social-media campaign to increase brand loyalty. In which stage of the product life cycle are Sneaco Sneakers?

2. A chain of high-end hair salons, Serenity, has several locations in a metropolitan area. The target market for high-end salon services is large and competition for customers is high. Serenity's sales are stable throughout the year. In order to increase sales, the chain of salons is working on a new marketing plan to set its brand apart from the other high-end hair salons in the area. In which stage of the product life cycle is Serenity?

3. Barkley's Bakery sells freshly baked dog treats. The bakery is located in a newly constructed strip mall located just outside of town. Barkley's spends most of its marketing budget on local advertisements to tell potential customers where the store is located and what it sells. Foot traffic at the bakery is low. Many customers who enter the store had never considered buying bakery treats for their dogs before. However, Barkley's Bakery is the only business of its kind in the county. In which stage of the product life cycle is Barkley's Bakery's dog treats?

4. Kidventure is a medium-sized amusement park with a wide variety of rides, games, and dining options. For almost two decades, it was one of the most successful summer attractions in the area. A few years ago, a large, brand-new water park opened only a few miles away. Due to the climate, both attractions are only open during the summer months. Kidventure's ticket sales have decreased every year since the water park opened. It can no longer afford to keep the park as clean and well-maintained as before, nor can it afford to implement new attractions. In which stage of the product life cycle is Kidventure?

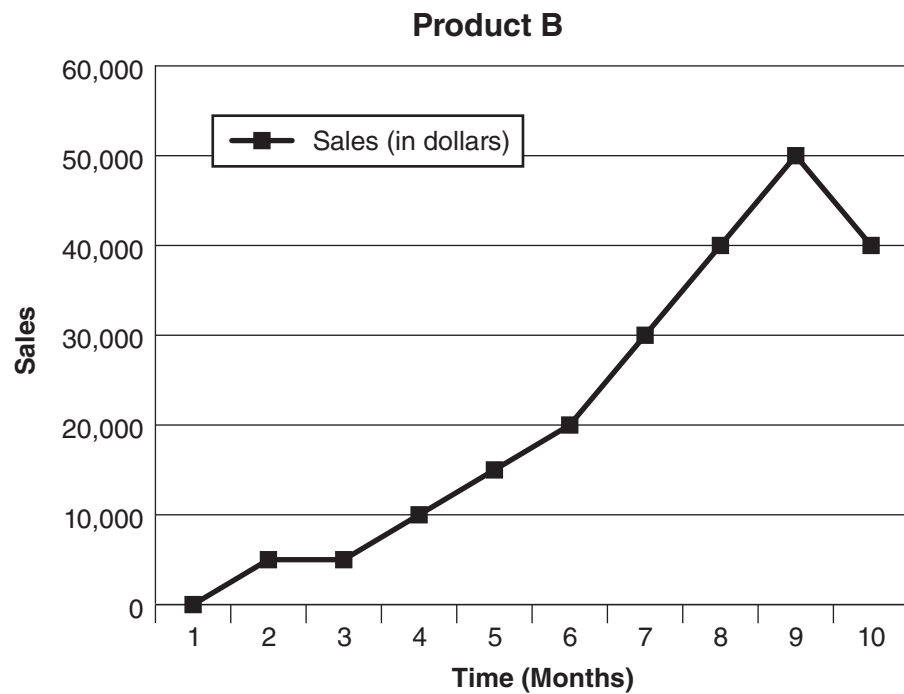
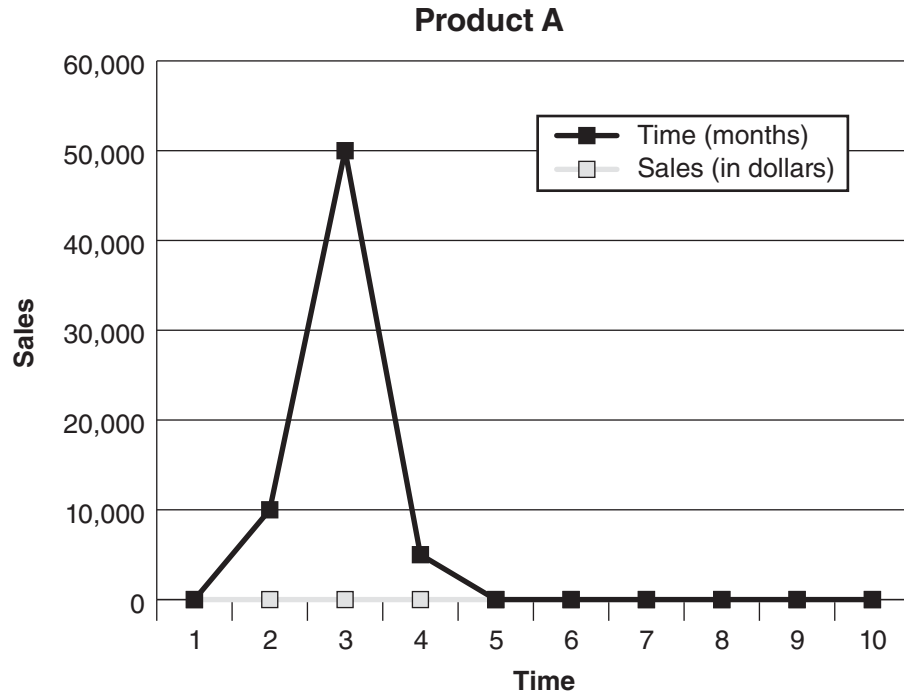
5. TireCo, a leading manufacturer of tires, recently developed a new tire-manufacturing process that has made longer-lasting automobile tires possible. It is currently the only company using the new manufacturing process. TireCo sent samples of its new Ultra Durable tires to a selection of tire retailers around the country. Each location was also sent a package of marketing materials that explain the features and benefits of the advanced tires. TireCo's Ultra Durable tires currently cost significantly more than standard tires. In which stage of the product life cycle are TireCo's Ultra Durable tires?

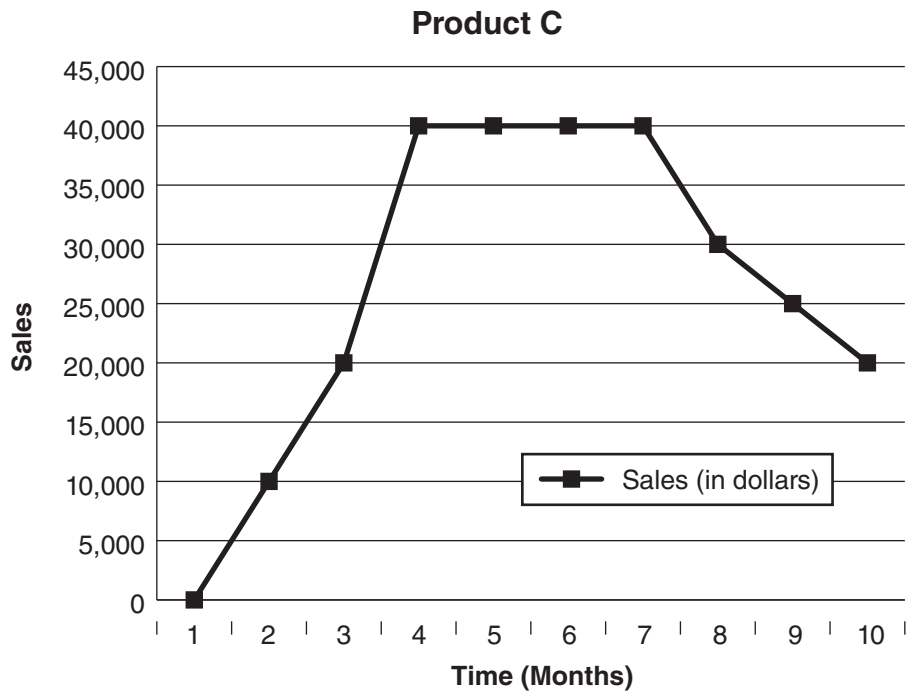
Name _____

Part 3: Marketing Math

Product Life Cycle

Best Brands, Inc. has hired you as a marketing consultant to analyze the product life cycle of three of its recently introduced products. Use the product life cycle graphs to fill in the data for each product in the chart.





	Product A	Product B	Product C
Time (in months)	Sales (in dollars)	Sales (in dollars)	Sales (in dollars)
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

Part 4: Be Your Own Leader

Learning from a Leader

Read the following case study about the well-known leader, Nelson Mandela. Then, using complete sentences, answer the questions that follow.

Nelson Mandela, Former President of South Africa

What does an influential political figure have to do with marketing? Everything. Marketing means influencing others by helping them see the value of your viewpoint and promoting your ideas so others will join your cause. Nelson Mandela was both a prisoner and president, and he understood how to

Name _____

lead, regardless of where he found himself. Mandela is credited with ending *apartheid*, or severe racial inequality, in his country in 1994. He was then elected the first black president of South Africa. In an interview conducted after retiring as president, Mandela shared some of the lessons he had learned as a leader.

Courage Is Not Showing Your Fear

Mandela once flew on a plane that lost an engine approximately 20 minutes before it landed. People on the plane began to panic until they noticed Mandela calmly reading his newspaper. When the plane landed, he told the person meeting him that he was “terrified up there.” Mandela was often afraid, but he learned that by appearing fearless, he could inspire others.

Inspire Others to Join You

When Mandela began to negotiate with the apartheid government of South Africa, which he had been fighting against for so long, people thought he had lost courage. However, Mandela took the time to explain to his followers why he was negotiating, what he was negotiating for, and where he would (and would not) compromise to reach their goal of freedom. His followers trusted him and continued to provide their support. Mandela was thinking in years, not days or weeks. He knew that over time, people would come to see that apartheid was wrong.

Appearance Matters

When Mandela was a law student, he owned one threadbare suit that he wore whenever necessary. He also understood the power of a smile. His smile would light up a room and disarm even those who stood against him. Once he became president of South Africa, he wore shirts made of bright and fun materials, signaling his joy as a leader and his positive outlook.

Keep Your Friends Close and Your Enemies Even Closer

During the 27 years he spent in prison for his beliefs and the five years he spent as the president of his country, Mandela knew how important it is to include others, especially if they held opposing views. He chose to keep those he did not fully trust as close to him as possible by including them in his cabinet and in his brain trust. In this way, he always knew what they were doing, and he could influence them for the good of the country.

1. For each of Mandela’s leadership lessons, write an example of a time when you experienced something similar or how you could follow his example.

A. **Courage Is Not Showing Your Fear:**

B. **Inspire Others to Join You:**

C. Appearance Matters:

D. Keep Your Friends Close and Your Enemies Even Closer:

2. Add two of your own lessons in leadership and provide an example for each. Explain why these are important lessons for leaders.

A. Leadership Lesson 1: _____

Example:

Why is this lesson important?

B. Leadership Lesson 2: _____

Example:

Why is this lesson important?
