

Lesson Notes: Product – The Primary “P” of the Marketing Mix

The marketing mix consists of four Ps: Product, Price, Place, and Promotion. Among these, **Product is the primary P** because everything else depends on it. Without a product, there is nothing to price, promote, or distribute.

1. Why Product is the Primary P

The product is the foundation of all marketing activities.

It is what satisfies customer needs and wants.

Reasons product is the most important:

- It is the reason customers buy.
- Price depends on the product's value and quality.
- Promotion focuses on explaining the product's benefits.
- Place depends on how and where the product should be delivered.
- A weak product cannot succeed even with strong promotion or low price.

Example:

- A smartphone with poor battery life and slow performance will fail, even if it is heavily advertised.
- A high-quality product often sells itself through positive word of mouth.

So, the success of the marketing mix starts with a strong product.

Classification of Products

Products can be classified in different ways.

A. By Nature of the Product

1. Goods

- Tangible items you can touch and see.
- Example: clothing, books, food, smartphones.

2. Services

- Intangible activities or benefits.
- Cannot be touched, only experienced.
- Example: haircuts, banking, education, transportation.

3. Events

- Organized experiences that people attend.
- Example: concerts, sports tournaments, festivals, conferences.

B. By Type of Customer

1. Consumer Products

Bought by individuals for personal use.

Types:

- Convenience products: bought frequently, little effort
Example: bread, milk, snacks.
- Shopping products: compared before buying
Example: clothes, phones, furniture.

- Specialty products: unique, customers make special effort
Example: luxury watches, designer shoes.
- Unsought products: people don't usually think of buying
Example: insurance, funeral services.

2. Industrial Products

Bought by businesses to produce other goods or services.

Examples:

- Raw materials: wood, steel, cotton.
- Machinery and equipment: factory machines.
- Supplies: office stationery, cleaning products.

3. Institutional Products

Bought by organizations like schools, hospitals, and governments.

Examples:

- School textbooks
 - Hospital equipment
 - Office furniture for government buildings
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Product Life Cycle (PLC)

The Product Life Cycle shows the stages a product goes through from launch to decline.

Stages:

1. Introduction

- Product is new in the market
- Sales are low
- Costs are high
- Little or no profit
- Heavy promotion needed

Example: a new gaming console launch

2. Growth

- Sales increase rapidly
- Profits start rising
- More competitors enter
- Brand awareness grows

Example: electric vehicles becoming more popular

3. Maturity

- Sales reach their peak
- Market is saturated
- Competition is intense

- Companies try to differentiate

Example: soft drinks like Coca-Cola

4. Decline

- Sales decrease
- Product becomes outdated
- Companies may discontinue or update it

Example: DVDs replaced by streaming services

Product Life Cycle for Different Types of Products

Not all products follow the PLC the same way.

A. Staples

- Basic necessities
- Long life cycle
- Stable and steady sales
- Rarely go into decline

Examples:

- Bread
- Rice
- Soap
- Toothpaste

PLC Pattern:

Slow introduction → steady growth → long maturity → very slow decline

B. Fads

- Very short life cycle
- Rise quickly and fall quickly
- Driven by trends and excitement

Examples:

- Fidget spinners
- Viral toys
- Certain TikTok trends

PLC Pattern:

Rapid introduction → sudden peak → fast decline

C. Fashions

- Popular for a longer time than fads
- Come and go in cycles
- Common in clothing and accessories

Examples:

- Jeans styles
- Shoe designs
- Hairstyles

PLC Pattern:

Gradual introduction → strong growth → maturity → slow decline, but may return later

Summary Table

Concept	Key Idea	Example
Product is primary P	Everything else depends on it	Phone, service, event
Goods	Tangible	Shoes
Services	Intangible	Haircut
Events	Organized experiences	Concert
Consumer products	For personal use	Snacks
Industrial products	For business use	Machinery
Institutional products	For organizations	School supplies
Staples	Long life cycle	Bread
Fads	Short life cycle	Fidget spinner
Fashions	Cyclical life cycle	Clothing trends