

## **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.

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# 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.

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## 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

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## **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

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## **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

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## **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

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## 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       |