UNIT 3

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Classification of Products – 2 Major Classification: Consumer Products and Industrial Products

1. Consumer products, and

2. Industrial products.

1. Consumer Products:

Consumer products are those products that are bought by the final customer for consumption.

Consumer products are of four types:

i. Convenience products,

ii. Shopping products,

iii. Speciality products, and

iv. Unsought products.

i. Convenience Products:

Convenience Products are usually low priced, easily available products that customer buys frequently, without any planning or search effort and with minimum comparison and buying effort. Such products are made available to the customers through widespread distribution channels-through every retail outlets. This category includes fast moving consumer goods (FMCG) like soap, toothpaste, detergents, food items like rice, wheat flour, salt, sugar, milk and so on.

ii. Shopping Products:

Shopping products are high priced (compared to the convenience product), less frequently purchased consumer products and services. While buying such products or services, consumer spends much time and effort in gathering information about the product and purchases the product after a careful consideration of price, quality, features, style and suitability.

Such products are distributed through few selected distribution outlet. Examples include television, air conditioners, cars, furniture, hotel and airline services, tourism services.

iii. Speciality Products:

Speciality Products are high priced branded product and services with unique features and the customers are convinced that this product is superior to all other competing brands with regard to its features, quality and hence are willing to pay a high price for the product. These goods are not purchased frequently may be once or twice in lifetime and are distributed through one or few exclusive distribution outlets. The buyers do not compare speciality products.

iv. Unsought Products:

Unsought product is consumer products that the consumer either does not know about or knows about but does not normally think of buying. In such a situation the marketer undertakes aggressive advertising, personal selling and other marketing effort. The product remains unsought until the consumer becomes aware of them through advertising. The price of such product varies. Examples of unsought product are cemetery plots, blood donation to Red Cross, umbilical cord stem cell banking services.

2. Industrial Products:

Industrial Products are purchased by business firms for further processing or for use in conducting a business .The distinction between consumer product and industrial is based on the purpose for which the product is bought. Like a kitchen chimney purchased by a consumer is a consumer product but a kitchen chimney purchased by a hotel is an industrial product.

Business products include:

i. Material and parts,

ii. Capital items,

iii. Supplies, and

iv. Services.

i. Material and parts – Material and parts include raw material like agricultural products, crude petroleum, iron ore, manufactured materials include iron, yarn, cement, wires and component parts include small motors, tires, and castings.

ii. Capital items – Capital items help in production or operation and include installations like factories, offices, fixed equipments like generators, computer systems, elevators and accessory equipments like tools office equipments.

iii. Supplies – Supplies include lubricants, coal, paper, pencils and repair maintenance like paint, nails brooms.

iv. Services – Services include maintenance and repair services like computer repair services, legal services, consultancy services, and advertising services.

Classification of Products – 2 Important Categories: Consumer Products and Industrial Products

Broadly speaking, products are divided into two categories – consumer and industrial products.

1. Consumer Products:

Products purchased by ultimate consumers or users for satisfying their personal needs and desires are called consumer products. Examples are – cold drinks, eatables, drinks, textiles, toothpaste, shoes, pens, fans etc.

Consumer products have been classified on two important basis:

i. Extent of shopping effort involved, and

ii. Durability of product.

i. Shopping Effort Involved:

This refers to time and efforts buyers are willing to spend on buying the product.

On this basis, product is classified into three categories:

a. Convenience Product

b. Shopping Product

c. Specialty Product.

This classification has been given by M.T. Copeland.

a. Convenience Product/Goods:

These are goods purchased frequently, immediately and with least time and efforts. Convenience in purchase is the main criterion in purchasing it, for example easy and quick availability, nearness of shop etc.

Important Characteristics are:

(1) Regular and continuous demand.

(2) Essential for consumers.

(3) Small unit of purchase and low price.

(4) Branded/Standardised products.

(5) No enquiries about quality, price as customers know about them due to regular purchase.

(6) Keen competition among producers.

(7) Large numbers of advertisements.

(8) Increasing role of sales promotion schemes, discount offers, gift offers, etc.

Types of Convenience Goods:

(1) Staples:

For purchasing staple goods, consumers do not spend too much time. These items are bought frequently for immediate use; e.g., milk, bread, grocery items.

(2) Impulse Goods:

Desire to buy such goods is aroused suddenly while shopping. They are purchased on sight without forethought, e.g., magazines, gift items, etc. Window displays are made to draw consumer's attention.

(3) Emergency Goods:

Purchased on some urgent and compelling need; e.g., handkerchief by a traveler, umbrella due to sudden rains, pain reliever for headache etc. Customer does not have much time to bother about price/quality of a product.

b. Shopping Products:

Shopping goods are goods bought only after comparing quality, price, suitability and style in several stores and putting some effort in the process and not buying in haste. Consumers select such goods only after analysis and evaluation of merits and demerits of all substitutes of product and comparing the brands as well as stores.

Service and warranty work are often important considerations as well. Examples are – Furniture, clothing. Readymade Garments, shoes, sarees, major appliances. Shopping goods are durable in nature. They are purchased less frequently and are of high unit value. A shopping good may not be purchased for a considerable period after the decision to buy the product is made.

Chief characteristics are:

(1) Durable Nature

(2) High Unit price

(3) Comparison in selection

(4) Gap between decision to buy and actual buy

(5) Persuasive Effects of salesmen/Retailers.

c. Specialty Goods:

When consumers search extensively for a product and are extremely reluctant to accept substitutes for it, it is a Specialty Good. These are products with brand loyalty of highest order Examples are – expensive stereo, gourmet food products. These goods are of very high unit value and infrequently purchased.

d. Unsought Goods:

These are products normally not purchased except when a certain problem arises to be solved e.g., emergency automobile repair, polio vaccine, cancer treatment. Consumers generally are not aware of these products or their importance till they realize it.

2. Industrial Goods/Products*:*

Industrial products are primarily goods used as inputs in producing other goods. Examples are – raw-materials, engines, lubricants machines, tools etc.

Chief characteristics are:

(a) Derived Demand, that is, their demand is derived from demand of other products; e.g., demand for leather is derived from demand for shoes and other leather products.

(b) Technical Considerations in their purchase include advice from experts like engineers, production managers cost accountants.

(c) Direct Selling (by manufacturers, and sometimes, according to buyers' specifications).

(d) Limited Buyers (Compared to consumer products).

(e) Geographically Concentrated i.e., similar production units are located in a particular area.

(f) Reciprocal Buying – (in case of basic industries like. Oil, Steel, rubber, chemicals). For instance, Ashok Ley land may buy tyres and tubes from Ceat and sell them trucks.

(g) Leasing instead of Buying (this is a growing trend). For example, transport agencies instead of purchasing public carriers on outright basis, take them on hire basis.

Major Categories of industrial goods are:

(i) Raw-materials e.g., natural rubber, cotton, sugarcane & agricultural products, mines, forestry.

(ii) Component parts and materials e.g., tyres and batteries for cars.

(iii) Accessory items e.g., smaller machines.

(iv) Installations e.g., overhead cranes, Buildings, Machines.

(v) Supplies e.g., fuel, coal, cleaning materials, lubricating oil, electric power etc., nuts, bolts.

(vi) Business Services e.g., consultants, hiring advertising agency.

Another Classification:

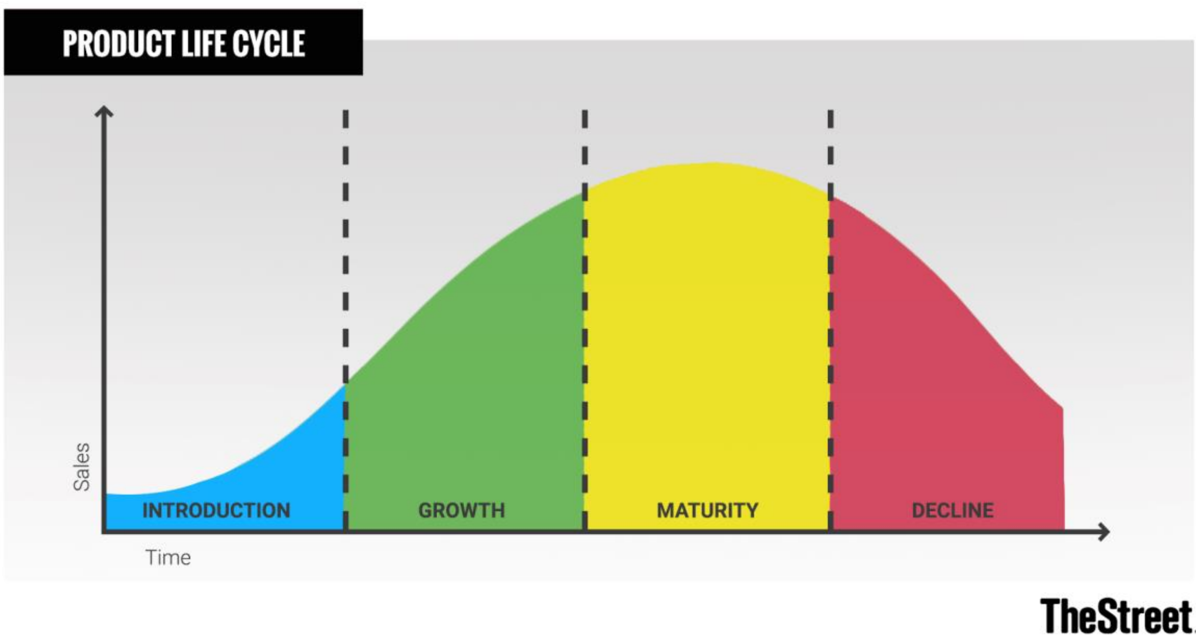
(i) Raw-Materials e.g., agricultural products, mines and forests.

(ii) Semi-finished-goods, supplied by one industrial unit to another; these goods are further processed by receiving unit.

(iii) Fabricating Goods used by receiving unit without processing e.g., speaker/cabinet of TV, Tyre and Tube of Cycle, Tyre, Tube, Light, Horn, Plug of Scooter.

(iv) Production Supplies necessary for operating industrial units e.g., Coal, Gas, Fuel, Diesel etc.

PRODUCT LIFE CYCLE:



Product Life Cycle Stages:

The product life cycle has 4 very clearly defined stages, each with its own characteristics that mean different things for business that are trying to manage the life cycle of their particular products.

<u>Introduction Stage</u> – This stage of the cycle could be the most expensive for a company launching a new product. The size of the market for the product is small, which means sales are low, although they will be increasing. On the other hand, the cost of things like research and development, consumer testing, and the marketing needed to launch the product can be very high, especially if it's a competitive sector.

<u>Growth Stage</u> – The growth stage is typically characterized by a strong growth in sales and profits, and because the company can start to benefit from economies of scale in production, the profit margins, as well as the overall amount of profit, will increase. This makes it possible for businesses to invest more money in the promotional activity to maximize the potential of this growth stage.

<u>Maturity Stage</u> – During the maturity stage, the product is established and the aim for the manufacturer is now to maintain the market share they have built up. This is probably the most competitive time for most products and businesses need to invest wisely in any marketing they undertake. They also need to consider any product modifications or improvements to the production process which might give them a competitive advantage.

Decline Stage – Eventually, the market for a product will start to shrink, and this is what's known as the decline stage. This shrinkage could be due to the market becoming saturated (i.e. all the customers who will buy the product have already purchased it), or because the consumers are switching to a different type of product. While this decline may be inevitable, it may still be possible for companies to make some profit by switching to less-expensive production methods and cheaper markets.

Product Life Cycle Examples

It's possible to provide examples of various products to illustrate the different stages of the product life cycle more clearly. Here is the example of watching recorded television and the various stages of each method:

1. Introduction – 3D TVs
2. Growth – Blueray discs/DVR
3. Maturity – DVD
4. Decline – Video cassette

New Product Planning Process (7 Phases)

The new product planning is the function of the top management personnel and specialists drawn from sales and marketing, research and development, manufacturing and finance.

This group considers and plans new and improved products in different phases, as given below:

1. Idea generation (Idea Formulation)

2. Screening of ideas (Evaluation)

3. Concept Testing

4. Business analysis

5. Product development

6. Test marketing

7. Commercialization (Market Introduction)

1. Idea Generation:

The focus in this first stage is on searching for new product ideas. Few ideas generated at this stage are good enough to be commercially successful. New product ideas come from a variety of sources. An important source of new product ideas is customers. Fundamentally, customer needs and wants seem to be the most fertile and logical place to start looking for new product ideas. This is equally important for both consumers and industrial customers.

Product planning starts with the creation of product ideas. The continuous search for new scientific knowledge provides the clues for meaningful idea formation.

Drucker suggested that the sources can broadly be divided into:

(a) Internal Source (within the company) and

(b) External Sources (outside the company)

Sources of New Product Ideas (Internal):

1. Research and Development Department
2. Technical Service staff
3. Company Salesmen
4. Executive personnel
5. Company sales records
6. Top management
7. Company patent department
8. From employees suggestions
9. "Brainstorming" sessions of management

Sources of New Product Ideas (External)

1. Consumers
2. Competitors
3. Free-lance inventors
4. Trade literature
5. Consulting organisations
6. Trade fairs
7. Advertising agencies
8. Government agencies
9. Intermediaries (Distributors.)
10. Wholesalers and retailers.

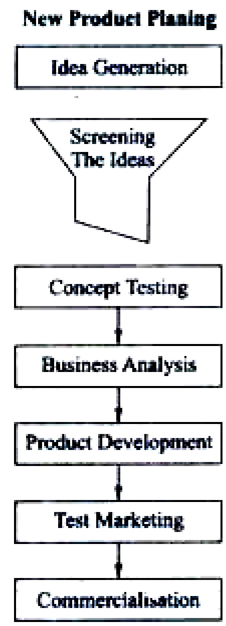


Fig. 13.2

2. Screening the Ideas: (Evaluation):

It means critical evaluation of product ideas generated. After collecting the product ideas, the next stage is screening of these ideas. The main object of screening is to abandon further consideration of those ideas which are inconsistent with the product policy of the firm. The product ideas are expected to be favourable and will give room for consumer satisfaction, profitability, a good market share, firm's image.

All the ideas cannot be accepted, because certain product plans need huge amount of investments, for certain plans raw materials may not be available, certain plans may not be practicable. Many of the ideas are rejected on account of many reasons and thus eliminate unsuitable ideas. Only promising and profitable ideas are picked up for further investigation.

Answers are sought to questions like:

1. Does the product meet a genuine need?
2. Is it an improvement over the existing product?
3. Is it close to our current lines of business?
4. Does it a totally new line of business?
5. Will it offer customers a superior value?
6. Will the new product bring in expected ROI?
7. Does the market accept the new product?

3. Concept Testing:

After the new product idea passes the screening stage, it is subjected to 'concept testing'. Concept testing is different from test marketing, which takes place at a later stage. What is tested at this stage is the 'product concept' itself-whether the prospective consumers understand the product idea, whether they are receptive towards the idea, whether they actually need such a product and whether they will try out such a product if it is made available to them.

In fact, in addition to the specific advantage of getting the consumers' response to the product idea, this exercise incidentally helps the company to bring the product concept into clearer focus. Concept testing helps the company to choose the best among the alternative product concepts. Consumers are called upon to offer their comments on the precise written description of the product concept, viz, the attributes and expected benefits.

4. Business Analysis (Market Analysis):

This stage is of special importance in the new product development process, because several vital decisions regarding the project are taken based on the analysis done at this stage. Estimates of sales, costs and profits are important components of business analysis and forecasts of market penetration and market potential are essential.

More precise estimates of environmental and competitive changes that may influence the product's life cycle or its replacement or repeat sales are also needed to develop and launch a product? A complete cost appraisal is necessary besides judging the profitability of the project.

Market analysis involves a projection of future demand, financial commitment and return. Financial specialists analyze the situation by applying break-even analysis, risk analysis. Business analysis will prove the economic prospects of the new product.

5. Product Development:

The idea on paper is converted into product. The product is shaped corresponding to the needs and desire of the buyers. Product development is the introduction of new products in, the present markets. New or improved products are offered by the firm to the market so as to give better satisfaction to the present customers. Laboratory tests technical evaluations are made strictly.

6. Test Marketing:

By test marketing, we mean, what is likely to happen, by trial and error method when a product is introduced commercially into the market. These tests are planned and conducted in selected geographical areas, by marketing the new products. The reactions of consumers are watched.

It facilitates to uncover the product fault, if any, which might have escaped the attention in the development stage. By this, future difficulties and problems are removed. This type of pre-testing is essential for a product before it is mass produced and marketed. Sometimes, at this stage, management may take decision to accept or reject the idea of marketing products.

Designing the programme for test marketing involves making a number of decisions:

1. Where and in how many markets should test be carried out?
2. What should be the duration of test marketing?
3. What to test?
4. What criteria should be used to determine success or otherwise?

7. Commercialization (Market Introduction):

This is the final stage of product planning. At this stage, production starts, marketing programme begins to operate and products flow to the market for sale. It has to compete with the existing products to secure maximum share in the market-sales and profits. When a product is born, it enters into the markets; and like human beings, has a life span-product life cycle.

In launching a new product, the company must make four decisions:

1. When should the product to be launched?

a. Right time.

2. Where should it be launched?

i. a single locality

ii. a region or

iii. national market.

3. Which groups should be targeted?

a. Existing customers.

4. How should it be launched?

i. Develop an action plan for introducing the new product into the rollout markets.

Consider the following before launching a new product:

1. Effective market research
2. Ensure product quality
3. Differentiation of product
4. Identification of consumer needs
5. Effective promotion
6. Proper distribution system
7. Correct pricing strategy
8. Knowledge of local needs
9. Choose correct time
10. Strength of sales force.

Factors that hinder the new product development:

1. Shortage of ideas
2. Shorter PLC
3. Higher expenditure
4. Fragmented markets

5. Inappropriate incentives

6. High gestation period

7. Non-cooperation of staff

Product Modification

Any substantial change made to the attributes (size, shape, colour, style, price, etc.) of a product; modification of a product is usually undertaken in an attempt to revitalise it in order to increase demand.

- **Philip Kotler:** "A product modification is any deliberate alteration for the physical attributes of a product or its packing".

Strategies of Product Modification

Some important strategies of product modification are as follows:

Quality improvement strategy

In this strategy, the product quality can be improved by modifying the engineering process or by introducing changes in the material from which it is constructed. The purpose of this strategy is to face the competition of market successfully.

Style improvement strategy

In this strategy, the appearance of product is changed. Though, the quality of a product remains same. Here, the packing of the product may be changed or the size, form, colour etc., of the product may be changed. This strategy widely used by the fashion industry.

Functional features improvement strategy

All changes which make the product work better or satisfy additional needs are known as functional changes. Here, the design of the product is changed in a manner that new design may be more attractive to consumers and they feel it convenient to use.

Packaging improvement strategy

It is a strategy in which the packaging of the product is changed. These improvements may be necessary due to the development of new techniques of packaging or due to the defect of present packaging of the product; or due to the suggestions for changes made by consumers.

What is Product Elimination?

Product elimination is the decision to drop a product from the portfolio based on its poor market performance. The market demand for such products has been dipped to none and hence product elimination or closure is carried out. Product elimination can also mean that only product under an umbrella brand needs to be stopped and not the entire portfolio.

Importance of Product Elimination

A product life cycle has essentially 4 stages- Development, Growth, Mature and Decline. In the development stage, the product looks to find a place in the market, acquire new customers and produce brand awareness. In the growth phase, the product marks a substantial growth in demand, builds a solid customer base and generates healthy revenue for the company. In the mature phase, the market is nearly saturated and the demand for the product sees no more growth. Revenue collection may start to tumble. In the decline phase, the product loses market share and demand and is making losses. It is in this phase that the Product elimination or product deletion is done.

Each product in the company's portfolio plays a unique role in the success of the company. When a product stops doing so, it must be dropped by product elimination. They simply drain company's finances and resources which could be used as investment elsewhere or in developing new products.

Marketers must know when the product enters the decline phase and immediately look to disinvest in the product. The product life cycle can only be extended through innovation. This may help the product stay longer in the growth phase before it matures.

Defining product and brand failuresA product is a failure when its presence in the market leads to:

- The withdrawal of the product from the market for any reason;
- The inability of a product to realize the required market share to sustain its presence in the market;
- The inability of a product to achieve the anticipated life cycle as defined by the organization due to any reason; or,
- The ultimate failure of a product to achieve profitability.

Why do products fail in the market?

Why do so many products fail to produce any meaningful financial return? Here are 7 key reasons major brands' products fail on the market:

Reason 1: Failure to Understand Consumer Needs and Wants

After spending years researching and trialling the product, in 1970 AT&T finally launched the Picturephone.

The company's executives believed that a million units would be in use within 10 years of launch.

They pulled it off market 3 years later due to a lack of consumer interest.

Why did Picturephone failed?

As it turns out, users found the equipment too bulky, its controls unfriendly, and picture too small to actually enjoy viewing.

Blinded by their own vision the company ignored negative user feedback right from trials, and developed a product that failed to meet customers needs and wants.

(ide note: it seems that AT&T didn’t learn anything from this mistake. The company re-launched Picturephone in 1992. Unfortunately, to similar results).

Reason 2: Fixing a Non-Existent Problem

In 1990 Maxwell House launched Ready to Drink Coffee.

The premise behind the product was simple:

To create a new, convenient way for customers to enjoy coffee instantly, without having to actually make themselves a cuppa at home.

Sounds genius, right?

A customer could buy the product at their local supermarket, bring it home, microwave it, and … voila, their coffee was ready.

So why did it flop?

You see, turns out that you can't microwave coffee in its original packaging. Instead customers had to pour the product from the packaging into a mug before putting it into the microwave… An activity no different than pouring yourself a cup of fresh coffee from the coffeemaker. Which is exactly what customers kept doing, forcing the company to abandon the product.

Reason 3: Targeting the Wrong Market

I'm sure you remember how Microsoft decided to take on the iPod in 2006. The company launched Zune which promised to do everything that Apple's device could do too.

And yet, in spite of great promises, Zune failed on the market.

Why did Zune fail?

Microsoft admits that they were just chasing Apple and created a product that offered no reasons for customers to switch.

What's the lesson from this mistake?

It's hard to know how the market will react to a product and marketing messaging. Hence why it's crucial to test these things beforehand. Ask potential users for feedback and test their response to the marketing message.

And then, listen to that feedback.

Reason 4: Incorrect Pricing

The Apple Newton PDA flopped because it was priced too high. Although some observers cite poor handwriting recognition as another reason for the product's failure, the steep $700 price tag contributed significantly.

Customers could afford the Newton. But what's worse, is its pricing affected its market positioning too.

You see, a high price might suggest too sophisticated product to customer needs. And so, it could force potential buyers to look for alternatives they'd perceive more relevant to them.

Reason 5: Weak Team and Internal Capabilities

In 2007, Joost promised to be the peer to peer TV network of the future, and seemed off to a flying start.

Unfortunately, Joost had various problems with its architecture, player, content library… you name it.

As a result, it never took off. 2 years after its launch, whatever was left of it was sold to Adconian.

A lesson?

Lack of skills can limit any potential solutions your team can create. Similarly, lack of resources and internal support can hinder your efforts to produce a product that satisfies customer needs.

Reason 6: Prolonged Development or Delayed Market Entry

Taking too long to launch may also cause a product to fail. By the time it hits the market, customer needs could change, the economy could have taken a downturn, or the market segments may have evolved.

That's the fate of Google Lively, the search giant's answer to Second Life. After prolonged development, Lively finally launched in 2008, just as the recession started to take its toil.

As a result, the company pulled the product after just 5 months to "focus on core search, ads and apps business."

Reason 7: Poor Execution

Bad design, poor user experience, sloppy implementation, feature creep, and lack of quality control all contribute to product failure.

And there are plenty of examples of how poor execution affected the product's performance on the market:

Factors for Product Elimination

Some of the key indicators of declination are-

1. Low Profitability

2. Declining market share

3. Inability to compete

4. Poor fit with the company's objectives

Marketers may look for several options during product elimination Harvest, Divest or Line simplification.

We can relate product elimination concept to the BCG matrix. A product might find itself in any of the four quadrants. The activity recommendations vary depending on the quadrant in which the company's product lies. A product which is a star or cash cow or question mark should be invested or harvested or divested upon respectively. Under these cases, product elimination is not required. But if a product is in the dog state, it means that the market growth of the product is low and the market share for the specific company is also low. Such products should be eliminated as the product is doing poorly and also the market prospects are grim. The product is draining resources and capital. It may well find itself obsolete with no demand at all and hence, must be eliminated beforehand.

Example of Product Elimination

Apple dropped its once upon a time market leading product- the ipod because with the advent of smartphones, the market demand for ipod declined suddenly. Because Apple ipod was doing well with high market share, ipod found itself in the harvest phase. But as demand declined further and so was the share of Apple, it moved into the dog phase and was subsequently eliminated. This is an example of product elimination.

Introduction to Branding

Branding

Branding is a process which involves creating a specific name, logo, and an image of a particular product, service or company. This is done to attract customers. It is usually done through advertising with a consistent theme.

Branding aims to establish a significant and differentiated presence in the market that attracts and retains loyal customers. A brand is a name, term, symbol, or other feature that distinguishes an organization or product from its rivals in the eyes of the customer. Brands are used in business, marketing, and advertising.

Features of Branding

Targetability

Branding should be planned according to the targeted audience. No business firm can target the entire population. Business owners should identify the type of people who are buying their products and services. Research should be done on the basis of age, gender, income, the lifestyle of their customers, etc.

Awareness

The percentage of people who are aware of a brand is known as brand awareness. Well established companies have the benefit of a high level of brand awareness. Brand awareness can be increased with the help of advertisement on TV, radio, newspaper or social media marketing and advertising. Logos also help companies build brand awareness, as people often recognize brands by these symbols or diagrams.

Loyalty

Brand loyalty is the highest achievement or apex of any company. A customer who buys the product of a particular company extensively is known as a brand loyalist. Many consumers prefer using certain brands of clothing, deodorants or tubes of toothpaste, for example. They like how these brands benefit them. Brand loyalty can be build by staying in touch with the customers, asking them for their reviews.

Consistency

Consistency is necessary for a brand. A brand must remain consistent. Small businesses make numerous promises in commercials and ads about their brands, and consumers expect companies to continue living up to these promises. Their products should also be effective

Types of Brands

There Are Many Types of Brands

Many kinds of things can become brands. Different types of brands include individual products, product ranges, services, organizations, individual persons, groups, events, geographic places, private label brands, media, and e-brands.

Individual Brands

The most common type of brand is a tangible, individual product, such as a car or drink. This can be very specific, such as the Kleenex brand of tissues, or it can encompass a wide range of products. Product brands can also be associated with a range of offerings, such as the Mercedes S-class cars or all varieties of Colgate toothpaste.

Service Brands

A service brand develops as companies move from manufacturing products to delivering complete solutions and intangible services. Service brands are characterized by the need to maintain a consistently high level of service delivery. This category includes the following:

- Classic service brands (such as airlines, hotels, car rentals, and banks)
- Pure service providers (such as member associations)
- Professional service brands (such as advisers of all kinds—accountancy, management consultancy)

- Agents (such as travel agents and estate agents)
- Retail brands (such as supermarkets, fashion stores, and restaurants)

Organization Brands

Organization brands are companies and other entities that deliver products and services. Mercedes and the U.S. Senate each possess strong organization brands, and each has associated qualities that make up their brand. Organizations can also be linked closely with the brand of an individual. For example, the U.S. Democratic party is closely linked with Bill and Hillary Clinton and Barack Obama.

Personal Brands

A person can be considered a brand. It can be comprised of one individual, as in the cases of Oprah Winfrey or Mick Jagger. Or it may be composed of a few individuals, where the branding is associated with different personalities. With the advent of the Internet and social media, the phenomenon of *personal branding* offers tools and techniques for virtually anyone to create a brand around themselves.

Group Brands

OWN: The Oprah Winfrey Network

Group branding happens when there is a small group of branded entities that have overlapping, interconnected brand equity. For example, the OWN group brand of the Oprah Winfrey Network and the brand of its known members (Oprah and her team) are strongly connected. Similarly, the Rolling Stones represents a group brand that is strongly associated with the personal brands of its members (most enduringly, Mick Jagger, Keith Richards, Ronnie Wood, and Charlie Watts).

Event Brands

Events can become brands when they strive to deliver a consistent experience that attracts consumer loyalty. Examples include conferences the TED series; music festivals like Coachella or SXSW; sporting events like the Olympics or NASCAR; and touring Broadway musicals like *Wicked*. The strength of these brands depends on the experience of people attending the event. Savvy brand managers from product, service, and other types of brands realize the power of event brands and seek to have their brands associated with the event brands through sponsorships. Event sponsorship is now a thriving big business.

Geographic Place Brands

Many places or areas of the world seek to brand themselves to build awareness of the essential qualities they offer. Branded places can range from countries and states to cities, streets, and even buildings. Those who govern or represent these geographies work hard to develop the brand. Geographic branding is used frequently to attract commerce and economic investment, tourism, new residents, and so on.

Private-Label Brands

Private-label brands, also called own brands, or store brands, exist among retailers that possess a particularly strong identity (such as Save-A-Lot). Private labels may denote superior, "select" quality, or lower cost for a quality product.

CNN Logo

Media Brands

Media brands include newspapers, magazines, and television channels such as CNN.

E-Brands

E-brands exist only in the virtual world. Many e-brands, such as Amazon.com, have a central focus on providing an online front end for delivering physical products or services. Others provide information and intangible services to benefit consumers. Typically a common denominator among e-brands is the focus on delivering a valued service or experience in the virtual environment.

Packaging

Packaging means the wrapping or bottling of products to make them safe from damages during transportation and storage. It keeps a product safe and marketable and helps in identifying, describing, and promoting the product.

4 Important Functions of Packaging

i) Product Identification:

Packaging serves as an identification of the product. A product is packed in special sized, coloured and shaped container for keeping its difference from the products of competitors. For example, the yellow and black coloured pack of KODAK ROLL tells itself of its producer.

(ii) Product Protection:

The main function of packaging is to provide protection to the product from dirt, insects, dampness and breakage. For example, the products like biscuit, jam, chips, etc., need to be protected from environmental contact. That is why they are tightly packed.

(iii) Convenience:

Packaging provides convenience in the carriage of the product from one place to another, in stocking and in consuming. For example, the new pet bottles of COKE makes the carriage and stocking easier. Similarly, the pack of FROOTI provides convenience in its consumption.

(iv) Product Promotion:

Packaging simplifies the work of sales promotion. Packing material in the house reminds the consumers constantly about the product. In this way, the packaging performs the role of a passive salesman. Consequently, it increases the sales.