

Keputusan Produk dan Merek

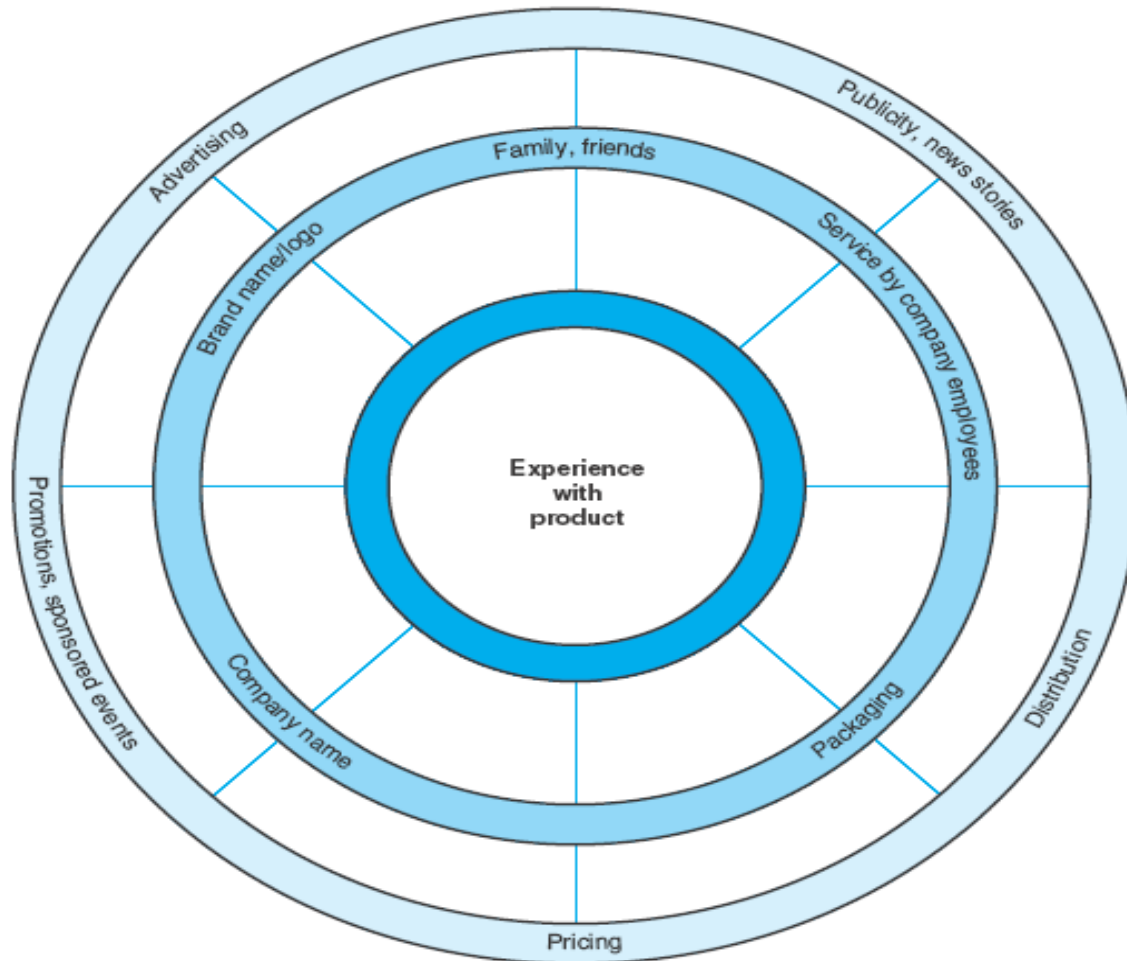
Product

- A product is a bundle of utilities
- e.g., Attributes of a Wine are flavor, taste, quality as a thirst quencher, cool refreshment etc.
- But different wine's have (emphasize) different product attributes intended to meet the demands of particular market segments. These products are now brands.

Brands

- Bundle of images and experiences in the customer's mind
- A promise made by a particular company about a particular product
- A quality certification
- **An assurance of a certain level of quality (providing a level of satisfaction by use of a certain brand)**
- Differentiation between competing products
- The sum of impressions about a brand is the *Brand Image*

Brands



Brands

- The added value that accrues to a product as a result of investments in the marketing of the brand
- An asset that represents the value created by the relationship between the brand and customer over time

Product Differentiation

- A product's perceived uniqueness that can be used as a competitive advantage..

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Product Positioning

- A strategy that attempts to occupy a favorable space in the consumers mind in relation to space occupied by other competitive products.
- It is the most important decision made regarding direction for new or existing products in the market
- Combine aspects of both market segmentation and product differentiation in creating a unique product image
- It's primary purpose is to create a perceived added value distinctive from that of competitive products
- Advertising and sales promotion play significant roles in successfully positioning a product or a service
- Positioning virtually influences all other marketing strategies

Aim of Positioning

- To get the customer to respond to a given product or service in a way the firm wants to them to respond and not the way competition wants them to.

Standardization and Customization

- In global marketing when dealing with the four P's, one of the most important questions to answer is whether to standardize or customize.

Standardization vs. Customization (Globalize or Localize)

- **Standardization** – offering a uniform product on a regional or worldwide basis. Minor alterations are usually made to meet local regulations and market conditions
- **Customization** – appropriate changes are made to match local changes.

Factors Favoring Standardization (Globalization)

- Common customer needs
- Global customers
- Scale of economies
 - Cost savings
 - Worldwide production
 - Duplication of R&D costs
 - Ease of introducing products
- EU and other regional market agreements

Products that are likely to be Standardized

- High tech products such as TVs, VCRs, Cameras, Computers
- High image products-such as cosmetics, clothes-with strong associations of fashionability, sensuality, wealth, status
- Service and Business to Business products that emphasize corporate image in their global marketing campaign (banks, airlines)
- Brands positioned primarily on the basis of their country-of-origin (Coke, Levi's Jeans)

Factors Favoring Customization (Localizations)

- To meet local taste better
- Acquiring a strong local brand
- Obligatory (mandatory) modifications
- Need for local linkages

Standardization Vs. Customization Decision Criteria

- Nature of the product
- Market development
- Cost/benefit relationship
- Legal requirements
- Competition
- Support systems
- Physical environment
- Market conditions

Global Brand Development

- All brands have been local at some point. But they all became global brands eventually. Key reasons:
 - Added value to customers
 - Differential attributes of the brand
 - Ability to transfer key differential attributes to local markets

Characteristics of a Global Brand

- Consistent identity, message, and price-value proposition
- Same product/brand vision across countries (name, logo, who they are, why brand is better than competitors, clear message, credible, relevant (meaningful), communicate to customers)

Benefits of Global Brand Orientation

- Economies of scale
- Transfer of experience
- Uniform global image
- Control and coordination

Branding Strategies

- Combination or tiered branding: allows marketers to leverage a company's reputation while developing a distinctive identity for a line of products
 - Sony Walkman
- Co-branding features two or more company or product brands
 - NutraSweet and Coca-Cola
 - Intel Inside

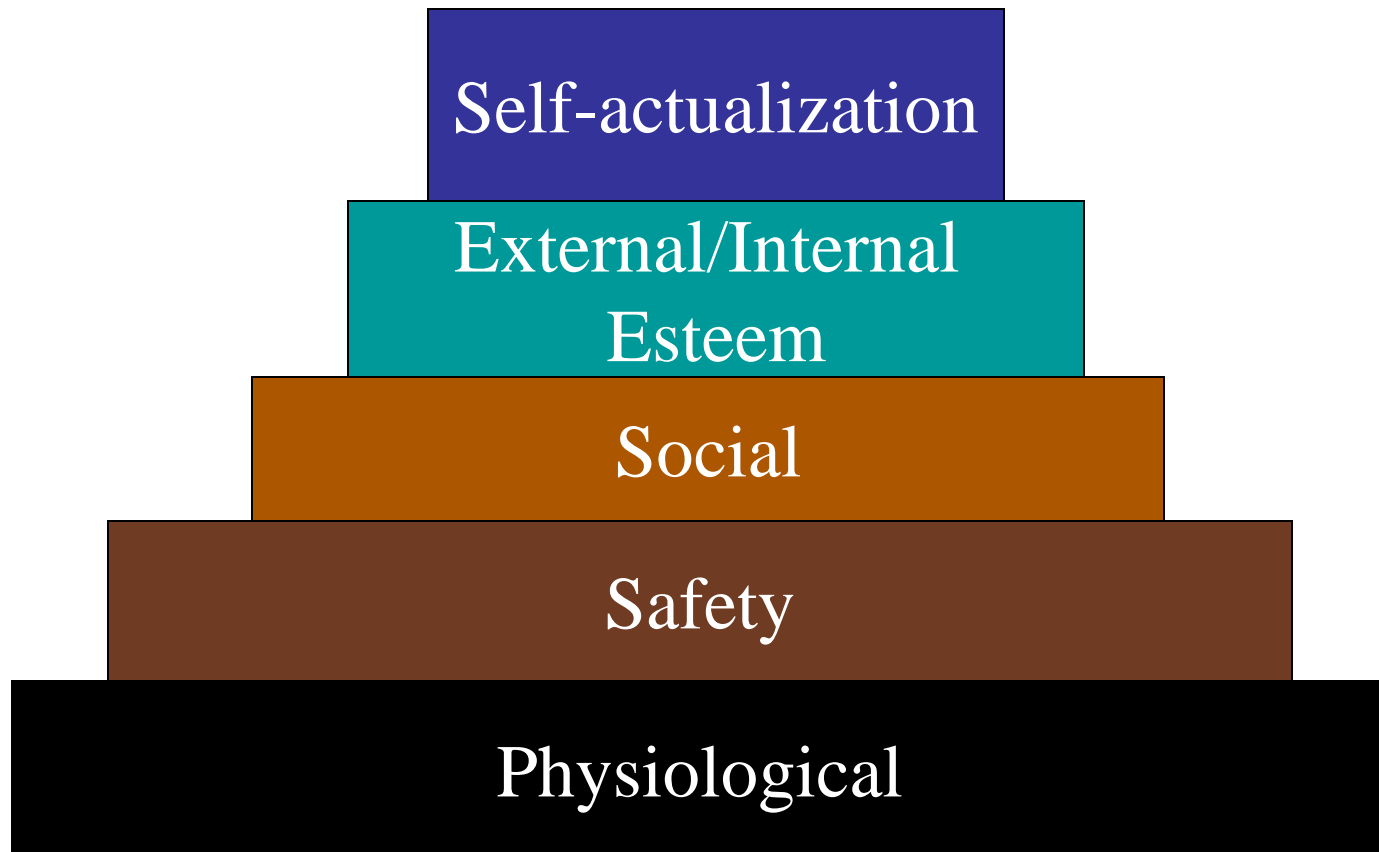
Branding Strategies

- Brand acts as an umbrella for new products
 - Example: The Virgin Group
 - Virgin Entertainment: Virgin Mega-stores and MGM Cinemas
 - Virgin Trading: Virgin Cola and Virgin Vodka
 - Virgin Radio
 - Virgin Media Group: Virgin Publishing, Virgin Television, Virgin Net
 - Virgin Hotels
 - Virgin Travel Group: Virgin Atlantic Airways, Virgin Holidays

Global Brand Development

- Questions to ask when management seeks to build a global brand:
 - Will anticipated scale economies materialize?
 - How difficult will it be to develop a global brand team?
 - Can a single brand be imposed on all markets successfully?

Local versus Global Products and Brands: A Needs-Based Approach



Country of Origin as Brand Element

- Made in label matters a lot to some customers
- Used a lot to evaluate products if the user is unfamiliar with the product
- Consumer holds cultural stereotypes about countries that will influence their product assessment

Some Key Research Findings of COO

- COO effects are not stable: perceptions change over time
- Generally, consumers prefer domestic products over imports
- The place of manufacturing is more important than where the company is located
- Demographics make a difference
- Consumers use COO as a cue when they are unfamiliar with a brand name
- COO effects depend on product category

Product-Country Matches & Mismatches Examples and Strategic Implications

Country Image Dimension

Positive

Negative

Country Image Dimension as a Product Feature

Important

Not Important

<p>1. Favorable Match</p> <p><u>Examples:</u> Japanese auto German watch</p> <p><u>Strategic Implications</u> Brand name reflect COO Package includes COO information Promote brands COO</p>	<p>2. Unfavorable Match</p> <p><u>Examples:</u> Hungarian auto Computer manufactured in Indonesia</p> <p><u>Strategic Implications</u> Emphasize benefits other than COO Joint venture with a favorable match partner</p>
<p>3. Favorable Mismatch</p> <p><u>Examples</u> Australian/Japanese Beer</p> <p><u>Strategic Implications:</u> Alter importance of product category image dimension Promote COO as a secondary benefit</p>	<p>4. Unfavorable Mismatch</p> <p><u>Examples:</u> Taiwanese beer</p> <p><u>Strategic Implications:</u> Ignore COO-such information not beneficial</p>

Strategies to Cope with COO Stereotypes

- Conduct research to determine how much COO effect the product category (Can benefits or hurt a company)
- **Product Policy**
- Select a brand name that disguises the COO or invoke a favorable COO
- **Pricing**
- Low price attract value conscious customers who are less concerned about COO
- **Distribution**
- Use a highly respected distribution channel if a product is manufactured in a country where consumers have a negative image
- **Communications**
- Alter consumer attitude about the product

Diffusion Theory

- The Adoption Process

Awareness> Interest> Evaluation> Trial> Adoption

- Characteristics of Innovations

Relative advantage

Compatibility

Complexity

Divisibility

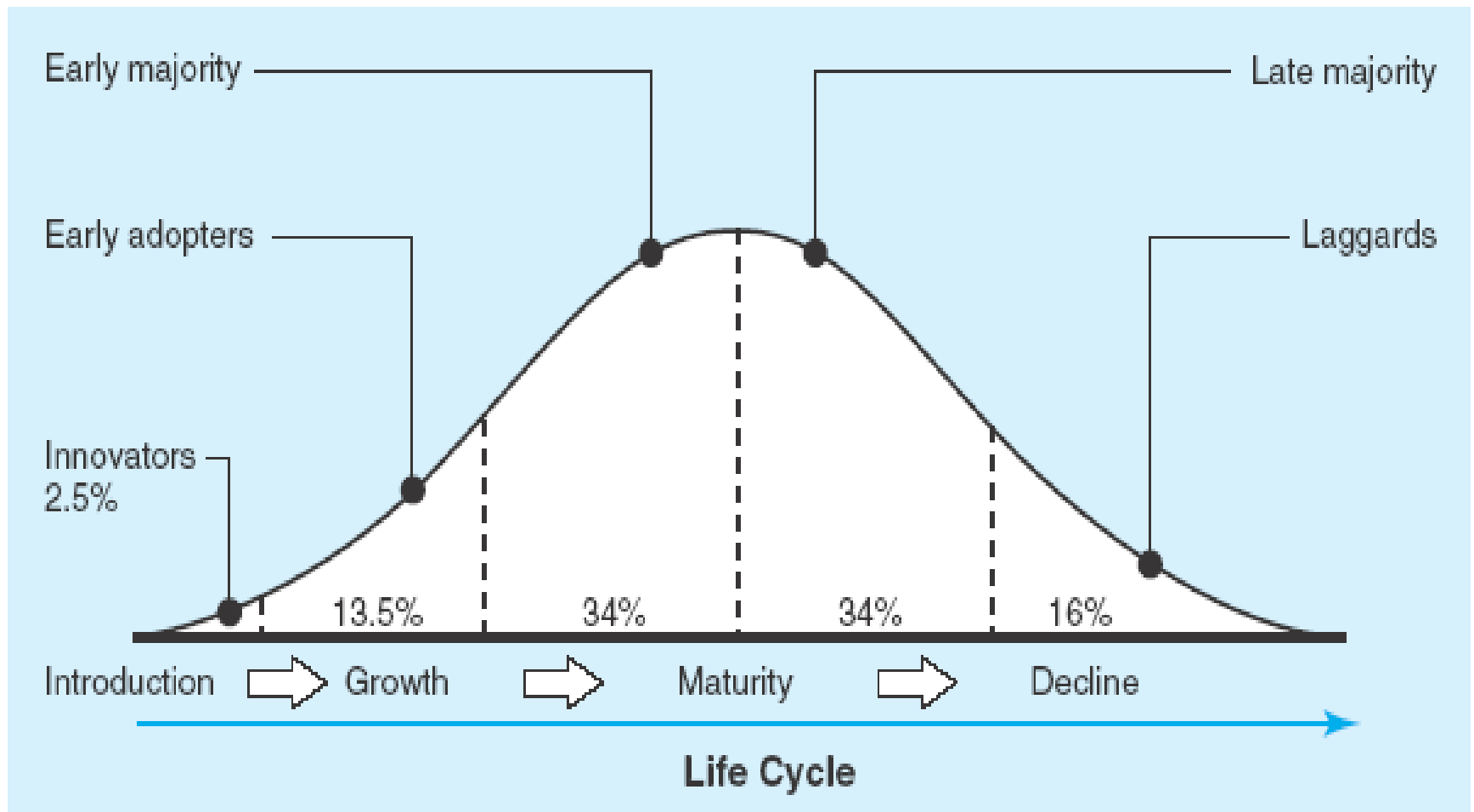
Communicability

Diffusion Theory

- Adopter Categories

Innovators > early adopters > early majority
> late majority > laggards

Categories of Adopters



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Diffusion of Innovation in an Asian Context

- E.g., Japan, S. Korea, Taiwan, India etc.
- Different cultural characteristics impact the diffusion process
 - High Context
 - More Group oriented and risk averse
- Impact
 - Faster rates of diffusion than in the U.S.
 - Adoption would proceed more quickly in markets where innovations were introduced relatively late (gives more time to assess relative advantage, compatibility and other product attributes)
 - because risk avoidance is high, fewer innovators but once they see others use it, because of group mentality, no one wants to be left behind.

Extend, Adapt, Create: Strategic Alternatives in Global Marketing

- Extension – offering product virtually unchanged in markets outside of home country
- Adaptation – changing elements of design, function, and packaging according to needs of different country markets
- Creation – developing new products for the world market

Global Product Planning: Strategic Alternatives

	Communication	Product
	Same	Different
Different	Strategy 2: Product Extension Communication Adaptation	Strategy 4: Dual Adaptation
Same	Strategy 1: Dual Extension	Strategy 3: Product Adaptation Communication Extension