THE ROLE OF A CHOSEN PRODUCT ATTRIBUTES IN THE CUSTOMER PREFERENCES CREATION

Krzysztof Ratman

Abstract

The paper presents a key role of a product in the marketing mix composition of an enterprise taking into consideration the products levels and chosen marketing product strategies. Author concentrates of a chosen product attributes like: variety of an assortment, packaging and marking/labeling, quality, brand, additional services and market novelty. Paper contains the evaluation and the analysis of the influence of product attributes listed above on the customer preferences.

Product management policy in the enterprise should entail the need to develop specific strategies, which seek to maintain an appropriate competitiveness of product range. Strategy to maintain the competitiveness of the product offer is to create a product at least as good as the products of competing companies, or even better. This strategy involves the continuous focus on all the characteristics of the product, and above all quality. Within the product management policy the enterprise can use also the variety of other marketing product strategies.

Key words: marketing mix, product, product attributes, product policy.

JEL Code: M1, M3, L00

Introduction

Product in the marketing mix is fundamental. Price, distribution and promotion are derived from the concept or product strategy of the company. The long-term success in the market is experienced by these companies that offer reliable and competitive products tailored to the needs of customers. According to many authors, it is the product, which plays a key role in the marketing mix – it is where everything begins.

According to Kotler product is "all that can be offered on the market in order to meet any needs. Marketed products include: physical goods, services, experiences, events, people, places, organizations, information and ideas" (Kotler, 2005). Narrower definition of the product gives Michalski, which defines a product as "a product of human labor directed to the market, which could gain interest of a buyer who can buy it, use or consume in order to satisfy their needs and desires" (Michalski, 2009). Kramer complements the above definition of the product with its attributes. It is believed that each product has unique features distinguishing it from other products. The products differ from one another including manufacturing technology, type, species, method of use, shape and packaging. The product therefore comprises a set of features representing its value in use, trademark, design, pricing, as well as the associated service (Kramer, 2000).

Today the company produces a large line of products that make up the range of products (product-mix). The product range is a set of all products that are offered on the market by a single manufacturer. There are four parameters describing the range:

- width of range, which determines how many lines of products has the company;
- length of range, which determines the total number of products;
- depth of range, which determines the amount of products offered in one line;
- consistency of range, which determines the degree to which different product lines due to their use, production requirements, distribution channels, etc. (Kotler, 2005).

These parameters give an opportunity for development, which can occur in different directions. The company has the option to extend the product line, deepening the range by adding more varieties of their products and increasing the consistency of their product line. The optimal range of products for a particular undertaking occurs when shortening or lengthening line of products does not increase profitability. In order to offer an optimal range the company should produce only those products that generate profit, and abandon unprofitable products and should offer long product lines.

Most companies have product groups in their range of products, which meet the specified roles. J. Altkorn distinguished the following product groups and their roles:

- products, which determine the position of a company on the market because of its niqueness;
- products that act as bait, so they are there to make customer pay attention to them and buy other, profitable products;
- prestigious products that create a certain image of the company;
- products whose task is to maintain regular customers;
- products, which aim to take over part of the fixed costs and thus compensate for seasonal fluctuations in sales of products serving as leaders (Altkorn, 2006).

Council Directive 94/62/EC of 15 December 1994 amended in 2004 addresses management of packaging in the European Union. The purpose of the Directive is to ensure that packaging products are safe for health, life and the environment. This directive applies to manufacturers, importers and distributors of goods, which are placed on the Common Market, regardless of their country of origin.

In Poland, the legal framework adapted to the abovementioned Directive is the Act of 11 May 2001 on packaging and packaging waste and the accompanying implementing regulations. According to this Act packaging are "marketed products made of any materials intended for the containment, protection, handling, delivery and presentation of all products, from raw materials to processed goods, as well as part of the packaging and auxiliary elements connected with packaging and intended for the same purpose as particular packaging" (Journal of Laws No. 63, 2001).

Depending on fulfilled functions, packaging is classified as small packs, collective and shipping containers (Lisińska-Kuśnierz, Ucherek, 2006). According to the Law on packaging and packaging waste packs are used to transfer the product to the place of purchase, collective packaging contain multiple individual packages and shipping containers are used for transporting goods in the wrapping or packaging (Journal of Laws No. 63, 2001).

Packaging is the first component of the product, which shall be evaluated by a potential client. Fundamentals of corporate image are formed by aesthetics of the product, its quality and size, and functionality. These features also affect purchasing decisions (Kałowska, 2002). The most frequently mentioned features of packages include the following functions: protective, communication and promotion, useful, logistics, educational and ecological. So one of the principal tasks of packaging is also education. Placing special markings on the packaging contributes to the client's attention to the characteristics of the product or the packaging, which was previously not noticed or not known. Packaging is also increasingly involved in building environmental awareness of buyers who often do not pay attention to whether the packaging is recyclable, or whether the product has been manufactured using recycled paper, etc. (Swift, Kaniewska-Seba, 2007).

Each package should be marked, which is grouped on the one side of the container, legibly and durably marked and visible from the outside. Marking as a component of the product includes:

- product name and information about the properties and method of use of the product;
- product brand (Garbarski, Rutkowski, Wrzosek, 2002).

An important attribute of the product is its quality. In the literature, the concept of quality is expressed variously. For the first time the term quality described Plato, who said that not all phenomena can be measured and fully described. Then Aristotle has enabled quality, in addition to quantity, relationships, substance, time, place and processes available to the factors that describe the world (Karaszewski, 2005). Today, most accurate definition of quality is determined by T. Sztucki, which describes it as "a whole of features and characteristics of the product or services that provide the ability to meet the existing or inspired needs (Sztucki, 2000).

During the process of designing a specific product Marketing Manager is required to determine the level of quality that will suit the expected position of the product in the target market. In this situation, the quality of product is the ability to carry out assigned functions. The quality of product includes durability, reliability, ease of maintenance and repair, precision, as well as other qualities. Although the majority of these features can be objectively measured, from a marketing point of view, the quality should be assessed also in terms of the perception of buyers. Quality should be understood as a way of fascinating buyer, consumer and user (Kotler, 2002). Products often are judged by the purchaser by means of organoleptic characteristics, which include taste, smell, color, luster, transparency, consistency and structure resulting from the chemical and physical properties of products. These features are subject to sensory analysis, expert judgment and consumer evaluation.

Enterprises, however, occasionally offer the highest possible level of quality because few customers can purchase products with a very high quality, which is directly related to the high price of the product. Companies want their products to have a level of quality that meets the requirements of target market and make them competitive. High product quality is also a constancy, which means providing the customers with its preserved level (Kotler, 2002). The quality of product carries some basic benefits, which include: better reputation of the company, improved sales, higher productivity, lower costs in the grounds of complaint, the long-term profitability, opening new market opportunities, reduce costs (www.systemiso.com.pl, 2012).

Product quality should not be identified with the value, that is, the level of benefits or a luxury that the product offers. The quality and value of the product are to two different and independent concepts. There may be luxury goods of low quality on the market and high quality universal products as well. Product quality is determined with respect to marketing context, while the value of product in relation to the characteristics of other similar products on the market. Choosing the level of quality of the product is linked with the marketing strategy (Ratman, 1998). Companies can offer low-priced mass products or expensive products that are in your niche market. In the case of bulk products company focuses on the core of the product, which is sold in retail chains, and in the case of expensive products it assigns to it unique characteristics of the product and sells it in a relatively small number of outlets. The level of product quality cannot be an element of marketing strategy. Decision of the Management Board of maintaining low quality is an unacceptable mistake. Low quality product in general should not be on the market (Rutkowski, 2011).

On of significant issues in the marketing associated with the product is its designation, which is used to differentiate the product of one company from those of other companies - the brand is the most important tool of modern marketing, promotional activities without which firms cannot exist and cannot run a business in competitive market conditions (Zboralski, 2000).

According to W. Gordon and H. Pringle brand symbolizes a promise, communicate what you can expect from the product, company or service. Also announces what you can expect from people involved in the delivery of a new product (Pringle Gordon, 2006).

In terms of customer-oriented approach, brand is described as the idea of product, which is a collection of certain associations representing an image of the brand in the mind of the buyer. However, from the point of view of the brand owner, it reflects the value system of the organization, system identification and the identity of the company (Zawadzka, 2006).

The company, which decided to label their products with brand has taken a number of decisions concerning, inter alia, the number and types of used brands and brand relationships with products and their variations. From the perspective of the brand owner the following types can be identified: brand of manufacturer, brand of intermediary (Garbarski, Rutkowski, Wrzosek, 2002).

The next classification takes into account the relationship of brands with products and their varieties. In this division the individual brand, collective or combined types can be distinguished (Dębski, 2009).

Brand combines products of the same manufacturer and that manufacturer with its customers. The product can also be promoted through the brand and the brand through product (Hartman, 2011).

Brand fulfills a variety of functions. Jacek Kall distinguishes as follows:

– allows the manufacturer to prepare market segmentation;

1269

- protects against followers of innovative manufacturer;
- facilitates remembering of product by customers;
- explains the meaning and essence of the offer;
- guarantees the buyer incentives;
- provides buyer with support / warranty.
- transformation, which is manifested by the fact that the brand awareness significantly enhances or even transforms experience associated with the consumption of the product (Kall, 2001).

Product in terms of marketing is not only the nature of the material. (Urbańska, 2003) Many products are components of the material elements and assets. Increasing the range of goods of various associated services is one of the basic methods of expanding the product and the competitive struggle. This requires the company to decide on the type of associated services, and the level and form of their provision. The most important services are:

- simple customer contact with the seller;
- speed of response to demands of the client requests;
- possibility to obtain the necessary information by the customer;
- assurance and timely delivery;
- sales service;
- after-sales service;
- warranty;
- purchases in installments or lease;
- equipment assembly (Altkorn, 2006).

Services associated with the sale and use of products represents an additional customer usability, while also being a component included in market image of the company. The demand for these services, and their distribution and promotion significance depend on the properties of vertical markets. The greatest interest and demand for services, sales and aftersales markets are in durable goods. Each product line, however, requires a different set of services. Services available can be purchased separately from the goods. The process of service provision can be thus distinguished from the activities of a producer or intermediary. In terms of free services, the customer is free to choose and only he decides whether he will purchase services by paying its cost, or abandon it. Services that cannot be separated from the sold goods or their separation is only partial are called bound or partially bound. Related services are services inseparable from the material substance of sales. Cancellation of accompanying services means canceling the purchase of a specific product. The cost of additional service is included in the price of the product. The characteristics of the related services include unification and obligatory character for all buyers. The feature of partly related services is to leave the customer with a limited choice between a set of purchased services and the price of the product. In a situation where the client decides not to use a specific service, he will pay a lower price.

Conclusions

The impact of individual, previously discussed, selected product attributes on client decisions varies depending on the characteristics of the product itself, but also the customer group / segment. Their weight can also vary depending on the stage of development of the company, its position in the market, etc. It is important, however, in building and implementing a policy of product, not to forget about any element of the composition of attributes, as this who devote the least attention may be most important for a group of our recipients.

Referneces

Altkorn, J. (2006). Produkt. In: Podstawy marketingu. Red. Altkorn, J., Instytut Marketingu, 122-123.

Dębski, M. (2009). Kreowanie silnej marki. PWE, 66.

Garbarski, L., Rutkowski, I., Wrzosek, W. (2002). Marketing. Punkt zwrotny nowoczesnej firmy. PWE, 238.

Hartman, J. (2011). Romans z marką. In: Marketing w praktyce, 7.

Jerzyk, E., Kaniewska-Sęba, A., (2007). Opakowanie i marka jako atrybuty produktu. In: Kompendium wiedzy marketingu. Red. Pilarczyk, B., Mruk, H., PWN, 154.

Kall, J.(2009). Silna marka. Istota i kierowanie. PWE, 15-20.

Kałowska, D. (2002). Własny styl opakowań. In: Marketing w Praktyce, 4, 14.

Karaszewski, R. (2005). Zarządzanie jakością. Koncepcje, metody i narzędzia stosowane przez liderów światowego biznesu. Dom Organizatora, 16.

Kotler, P. (2005). Marketing, Rebis, 409.

Kotler, P., Armstrong, G., Saunders, J., Wong, V. (2002). Marketing. Podręcznik Europejski. PWE, 622.

Kramer, T. (2000). Podstawy marketingu. PWE, 118.

Lisińska-Kuśnierz, M., Ucherek, M. (2006). Opakowania w ochronie konsumenta. Wydawnictwo Akademii Ekonomicznej w Krakowie, 16.

Michalski, E. (2009). Marketing, Podręcznik akademicki. PWN, 167.

Pringle, H., Gordon, W. (2006). Zarządzanie marką, jak wypromować rozpoznawalną markę. Rebis, 23.

Ratman, K. (1998). Agrobiznes dodatkowym źródłem dochodu ludności wiejskiej. In: Zarządzanie w agrobiznesie. Management in Agriculture. (Nowicka-Skowron, M.).

Rutkowski I. (2011). Strategie produktu. Koncepcje i metody zarządzania ofertą produktową. PWE, 121-122.

Sztucki, T. (2000). Marketing przedsiębiorcy i menedżera. Placet, 113.

Urbańska, J. (2003). Procesy prywatyzacji przedsiębiorstw a rozwój przedsiębiorczości. In: Ekonomiczne i pozaekonomiczne determinanty rozwoju. (Zachorowska, A., Kościelniak, H., Wyd.WZP Częstochowa.

Zawadzka, A. M. (2006). Dlaczego przywiązujemy się do marki?. Gdańskie Wydawnictwo Psychologiczne, 7.

Zboralski, M. (2000). Nazwy firm i produktów. PWE, 25.

www.systemiso.com.pl (2012).

Dz. U. Nr 63, poz. 638 ze zm (2001).

Contact

Krzysztof Ratman Wydział Zarządzania, Instytut Marketingu Politechnika Częstochowska ul. Armii Krajowej 19 B 42-200 Częstochowa kratman@wp.pl