PERSONAL SELLING (PART-3)

PRODUCT KNOWLEDGE

1. INTRODUCTION

Hello students,
Welcome to the series on personal selling. Today we are going to study about "Product knowledge in personal selling."

Definition of product- product can be a tangible item, a service, a combination of a person, a country or an idea and a product is a bundle of attributes, benefits and values.
Understanding customer is important before we offer the product because the product has to meet with the customer desires and the aspiration.

Consumer knowledge is the subset of the total amount of information store in memory which is relevant to product purchase and consumption.

This information and this knowledge influence the purchase decision of the customer. The level of the customer knowledge has to be understood and, the levels of the product knowledge and the customer, both are important because you have to understand the customer before you offer the product.

Let's see this idea where Information is given to you is

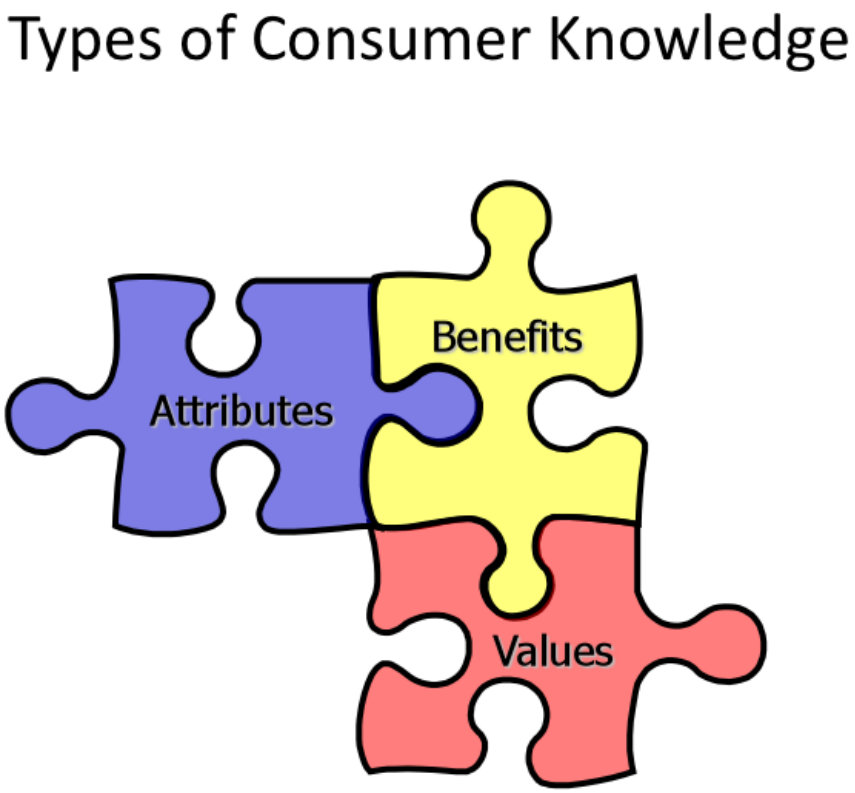
- more abstract
- less abstract

Try to emphasis on the concepts which becomes more tangible of the offerings.

The abstract part and the less abstract deal with

- product class knowledge
- product **form** knowledge
- brand knowledge
- Model and the feature knowledge.

So we have to **imbibe** the customer values and knowledge in such a way that the knowledge is built up by the combination of the attributes benefits and the values put together which we have shown you in this model.



The types of customer knowledge are important. You have to satisfy customer by giving the benefits so as to increase the product.

- **Knowledge** - types of the product knowledge given to the customer. .
- **bundle of the benefits**
- **Value satisfaction** given to the customer.

The product has to supports all the attributes In order to enhance the value given to the customer. Attributes are the characteristics of the product like you have a concentrate on the tangible impact and the physical appearance of the product to the intangible impact of the state and the values created.

Benefits are the desirable consequences which the consumer seeks when they buy a particular product. This is the functional and the psychological consequences.

Functional could be the need satisfied.

Psychological could be the attachment related to the product. This could be the benefits perceived the risk.

Risk-The risk are associated when the buy the product. The perceived risk may include

- physical risk
- financial risk
- functional risk
- Psychological risk.

The functional risk relate if the product goes out of function if the quality is not performing so we have to give an impact which creates the value in the mind of the customers.

2. THE PRODUCT AND THE VALUES

Values are the consumer based life goals. They are

- the terminal values
- and instrumental values
- Or could be the core values.

They relate to a self-concept which relate with a an ability to build up a an impact in to the market. Values are very subjective they are very personal and individual oriented they may be personal in the terms they are related to the society from which they get an experience build up through a social norm. Values are built up from the personal experience and the interactions which they have with the company and with the product. It is and a trend which relates to the psychological aspects this is very important for company because relates to the abilities where high perception is required so then and a meaningful interpretation is related to the product.

We have the change which relates the product to the market These changes are known as the value change or these are also known as the means to end changes A means end change links the consumer knowledge about product attributes with the knowledge and about the consequences of the values created.

This is the attributes are given to build up the functional consequences about the so as to build up the psychological consequences and give the value in the market.

The impact this is interaction by one to one personal interview in which try to get the feedback. It helps you to get a research from the market which tries to identify the product acceptability and the acceptance builds up in the market.

Change- this change enhance the relationships of the customer with the product into the market. They provide a deeper understanding of the product knowledge to the customer and here the customer are considered important for companies, so we have to give full information to enhance the knowledge. This builds the faith. We have to get involved the customers. The important part is where the product would be accepted by the customers.

3. FACTORS IMPACTING THE INVOLVEMENT

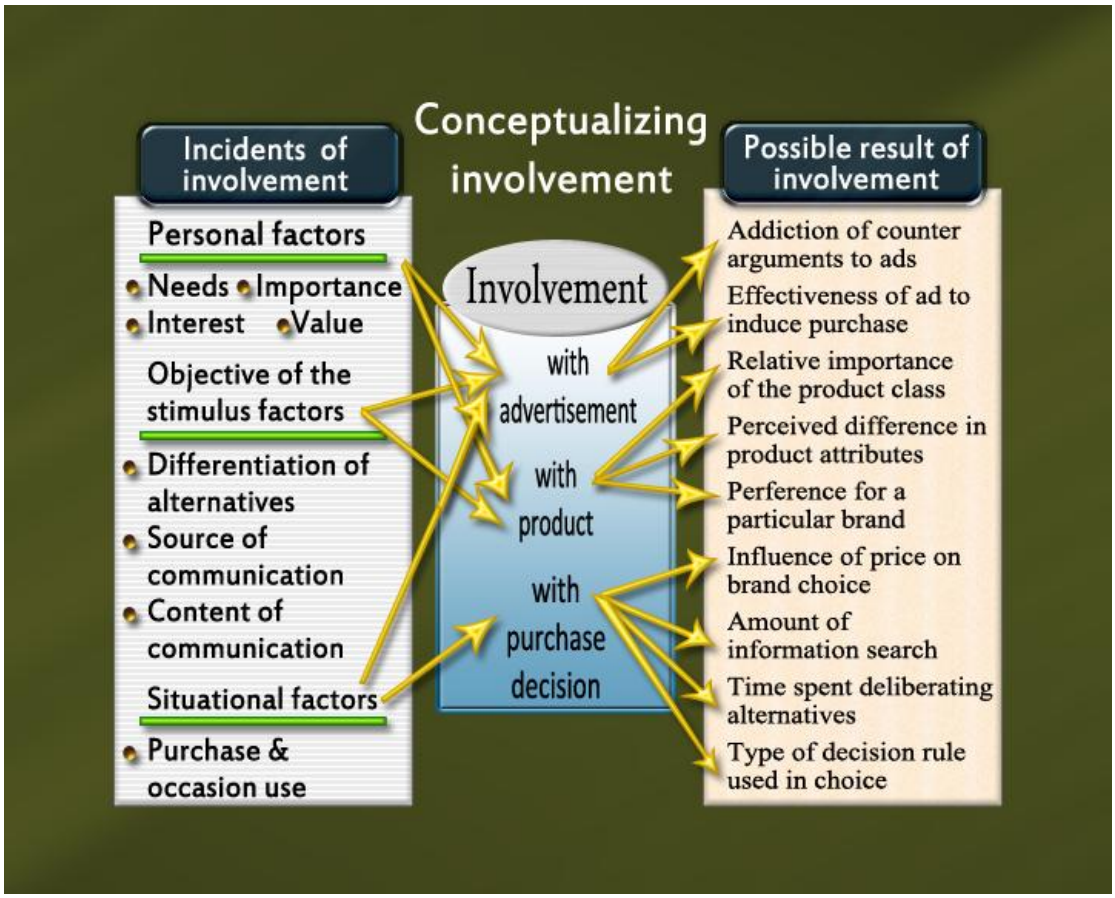
Involvement is a customer's perception of the importance or a personal relevance, objective of the activities, of the ideas to be taken up. It is the matter of the degree by which the customers get involved. It is higher when outcome of the decision affect the company sales. It is higher when the perceived satisfaction is high, so this is the impact where you want to create an involvement by building a concept of self-relevance when personal level of the impact of the customer involvement is more so as to build a concept of self-identity.

The situational self-relevant is built up- this is a temporary feeling of self-reliance to the special external impacts. But, to feel an impact of building a value which relates to a self-identity to build a status- symbol is important. The factors of is affecting the product involvement relate to

- personal characteristic of the customer
- situational characteristic of the customer
- Product characteristics.

All these things are important because to accept the product into the market, the customer has to matchup their personal experiences and the situational variables impacting the perception.

Conceptualizing the involvement in the product shown in this model:



- incidents of the involvement
- Possible result of this involvement.

Person factor- The person factor relate to the need, importance, interest and values.

The objects of the **stimulus factors** relate to the differentiation of alternatives, source of communication and the content of communication.

The situational factors- relate to the purchase and to the occasion use.

Involvement -is with the advertisement, with the products and with the purchase decision the result is the addiction of the counter terms to increase interaction with the ads. It is

- effectiveness of the adds to induce purchase
- Relative importance of the product class.
- Perceived difference in products attributes.

Preference for a Particular brand, influence of price on brand choice, amount of information search, time spent in deliberating the alternatives and type of decision rules used are in choice.
Involvement is a function of person, situation and object. The customer could only be involved if the product quality is of high level.

The effects of product involvement are related if you are able to build up customers who are

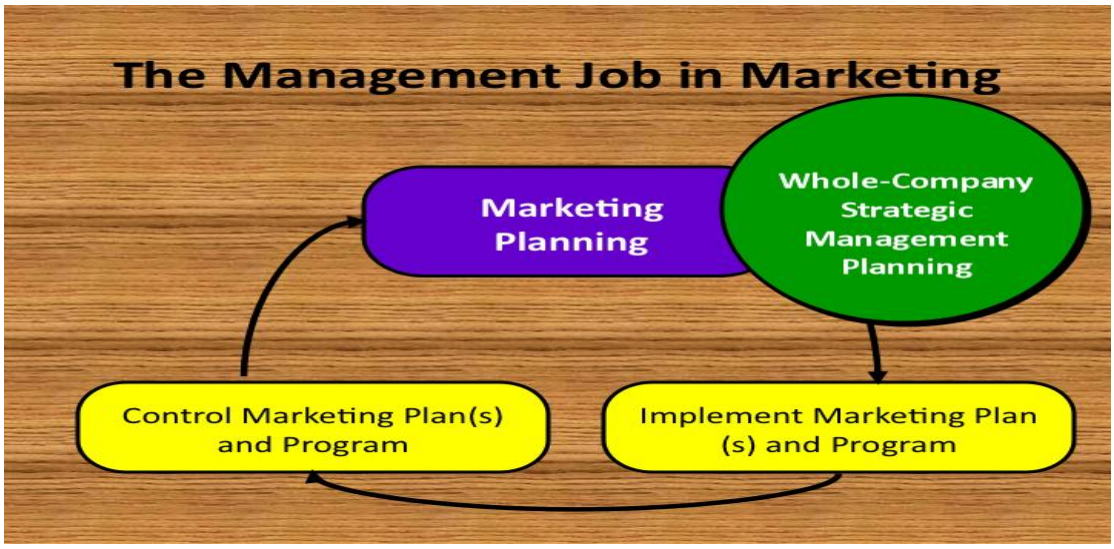
- knowledgeable
- attached to the company
- Consume the products in such a way that it enhances the sales.

The strategy in order to increase involvement of the customers for the product use relate to

- The appeal need of the companies. It is to provide innovative stimuli in the market. It is to provide prominent stimuli of more color and beautiful ads built up or it is the celebrity endorsement of the advertisement for the use of the product and building a bond with the customers. Using celebrity testimonial is important because the advertisers try to give a recognition factor to the publicity buildup for the positive acceptance of the product into the market.
- The management done so as to market the product is involved with the face where we try to plan the total efforts.

4. MARKETING THE PRODUCTS

The model here



the management job in the marketing is involved where the whole company strategic planning has to be done. This results into a marketing planning. Marketing planning involves control of the marketing plan and the program and the implementation of the marketing plan and program.

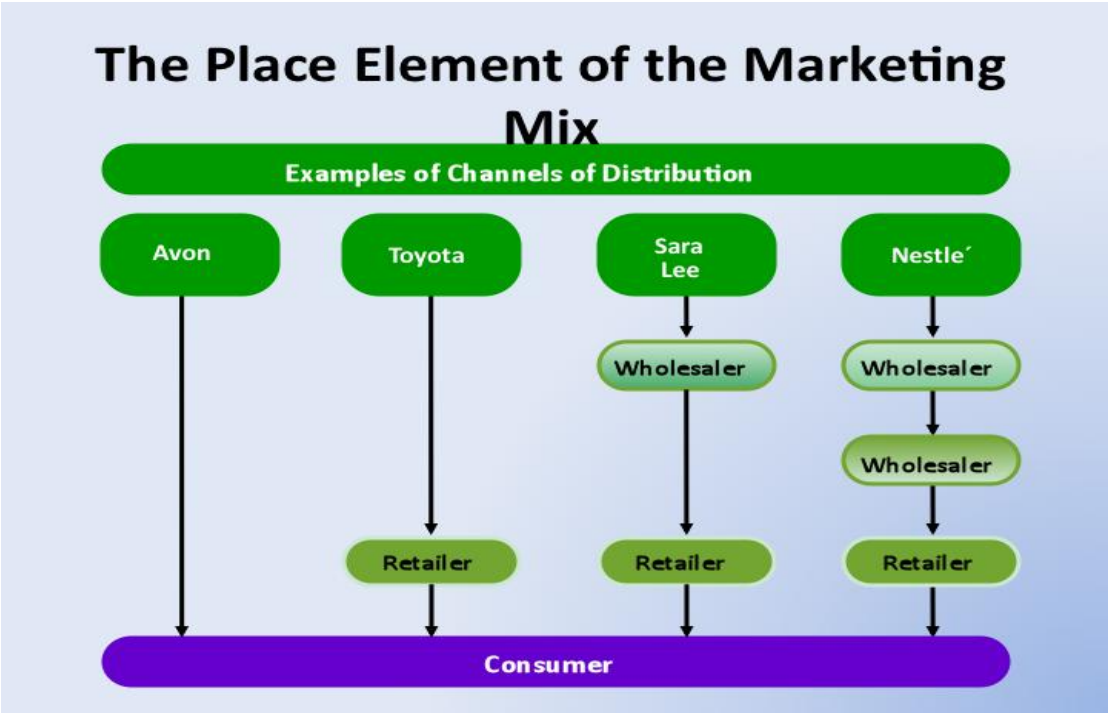
This will conceptualize the impact of the product into the market. The marketing mix is necessary so as to build up the product acceptance into the market.

The mixes for the target market audiences relate to the

- Product
- Place
- Price
- Promotion.

Distribution channels -- This is shown in this model.

How products reach to the consumer is by the distribution channel. So the product knowledge has to be under stood by the sales people by which customers could get into attached with the products. The association of the sales- people, so as to understand the distributional channel is also important because he has to place the product in the distribution channel, so that the customer can buy. Understanding the product also involves the understanding of channels. See this place element in the marketing mix.



This is the example of the channel distribution shown in this model. We have the company given over here we have

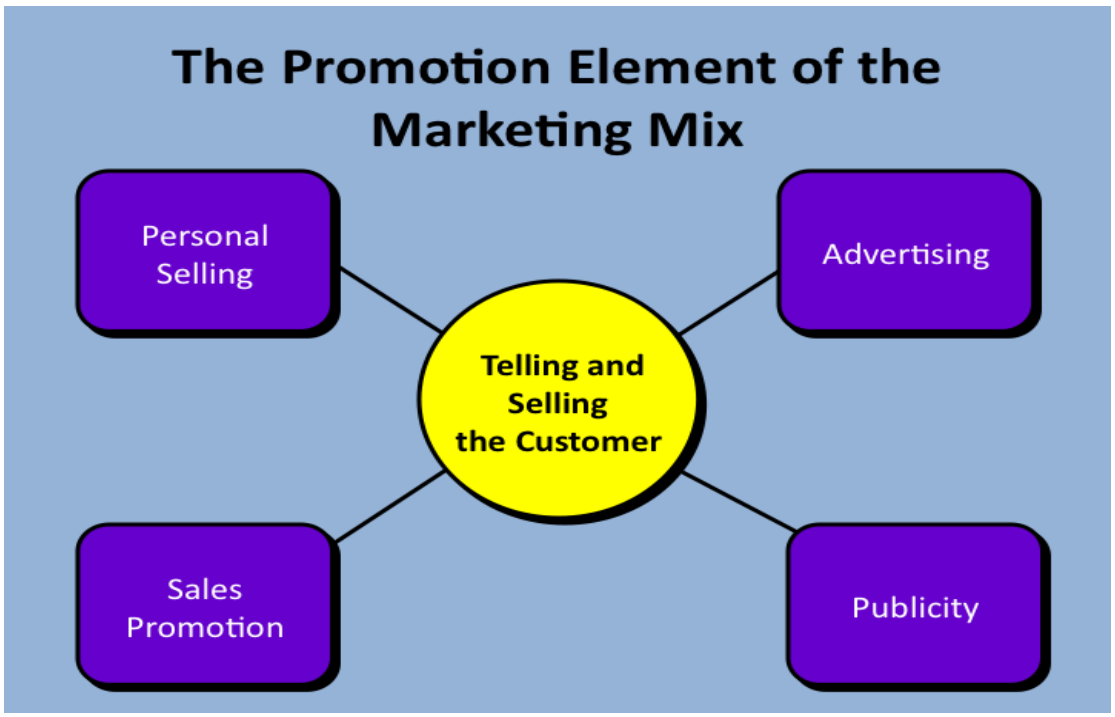
- Toyota
- Sarali
- Nestle
- Avon

The companies who are in directly attached with the customers where no channel is required.

- Toyota reaches to the customer through retailers
- **Sara-Lee** reaches to the customer through wholesaler - retailers
- Nestle has to go to wholesaler- wholesaler – retailer - customer.

So there could be companies who could use direct channel of communication with the customers or it could be some companies who have to resort to their own distribution channel or to the channel existing into the market.
The promotional aspect of the product relates to a telling and selling impact where the customers are attracted.

See this model



the promotion mix of the product which relates to

- advertising
- publicity
- sales promotion
- Personal selling.

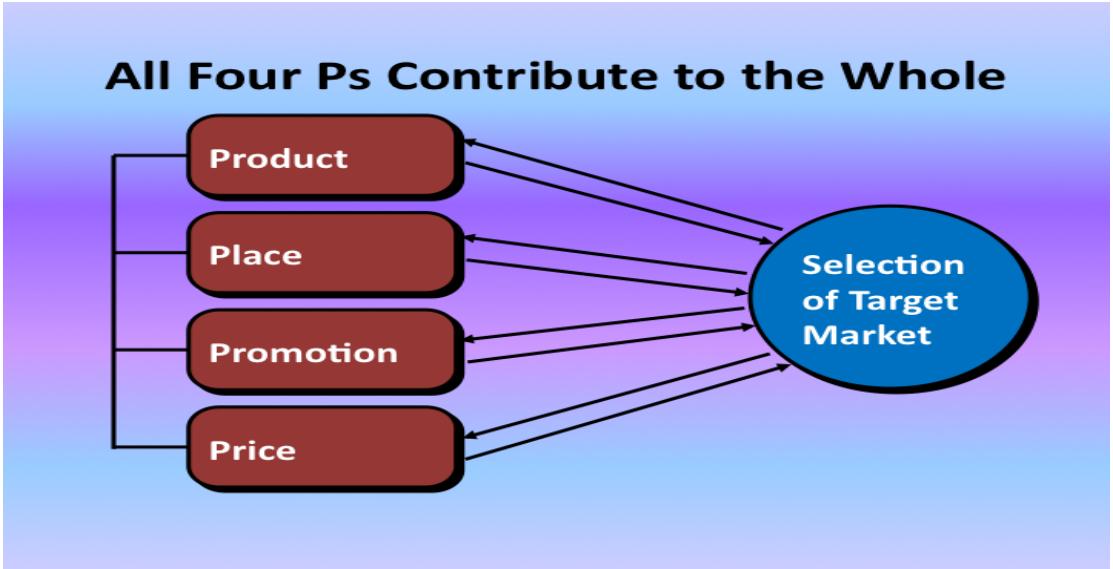
The price element mix of the marketing of the product relates to the many impacts which you have to create in the market.

The price setting relates to the

- price objectives of the company
- price flexibility into the market
- price changes over the life cycle of the product
- discount and the allowances,
- geographical pricing terms
- legal environment
- cost and demand existing into the market
- price sensitivity
- competition
- substitute
- Price of the other product in the line of the company.

So these are the impacts to be designed for the company, so has to enhance to knowledge of the sales- people so as convince the customers before they buy the product. The all four P's of the marketing of the product, price, place, promotion are important which helps you in the selection of the target market strategy.

This understanding the target market leads to the good strategies which have shown in this model.



Elements of the marketing firm in order to enhance the program which has the impact to building

- customer awareness
- knowledge

Marketing effort is required to build a program.

A. **target market + marketing = a marketing strategy**
B. **marketing strategy +time related details = marketing plan**

This is the result to

- build a marketing plan
- plus the other marketing plans
- The combination of this will give a firm's marketing program.

This is beautifully shown in this model where we have the impact of the various plans so as to build and a product approach where the customer could accept the product.

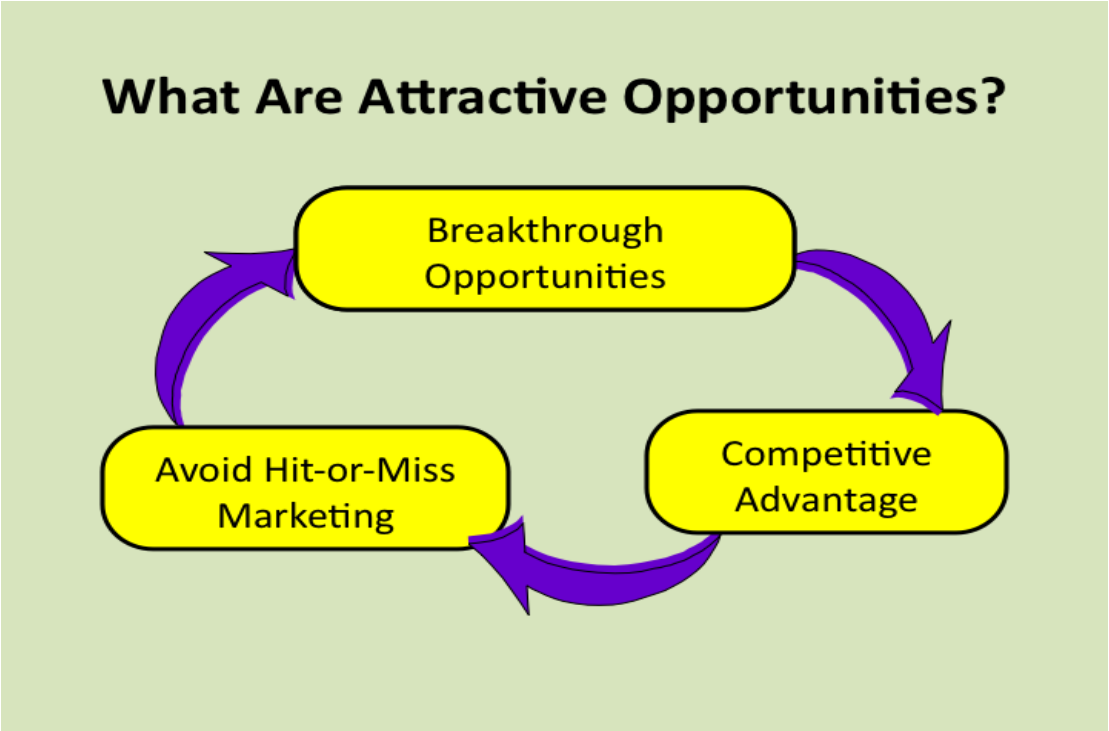
5. THE PRODUCT AND THE CUSTOMER EQUITY

The customer equity is important because the concept of the return of the total value of the money invested has to be given to the customer. See the model of the customer equity.

The marketing program should benefit the firm and this should relate to the owners to give the:

- Expected financial return
- Profit
- Growth comes from the customers
- Parts of the program must work
- Profit depends for the customer equity.

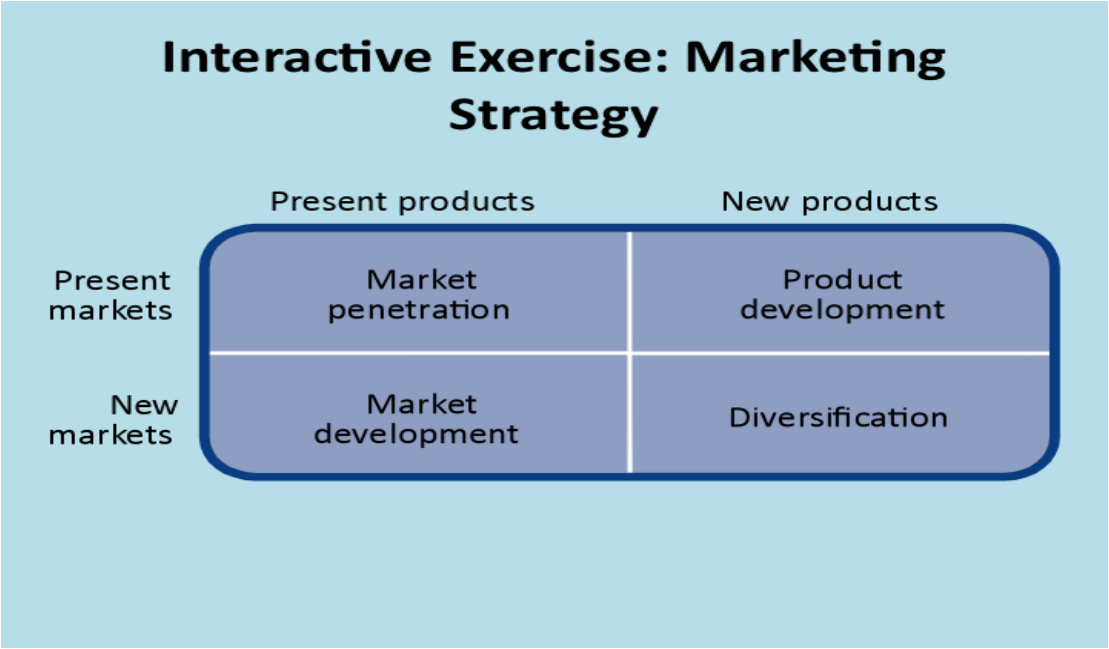
So customer is important, his partnership is important and his return from the product is important. These are the attractive opportunities where the company can build up and a program where you can gain a competitive age in the market to build a superior relation with the customer by giving superior quality. This breakthrough of opportunity comes through and a competitive advantage and this avoids and a miss out into the market and this avoids the miss marketing. You don't have miss a revolution or an opportunity in the market which can give you the impact of crystalizing all the potential opportunities in the market and this shown in this model.



the marketing strategy - has to relate to the product development and the product has to enhance

- values
- innovation and of additional functional requirements
- brand value
- Giving an acceptance to the customer is important.

See this model



where we have the interactive excise of the marketing strategies for the product development.

A. on the 'Y' axis-- The present markets, the new markets
B. on the 'X' axis--- the present product and the new product

The new product development is through the

- new product and
- New markets.

The searching for a new markets and new opportunities requires a study of culture, values and desires. According to the needs of the particular geographical market, products are designed for better acceptance.

The international opportunities of the products should also be scan so as to enhance the acceptance of the product. Here you get an impact where you move from the smaller world to a larger global world.

Let's study the international opportunities which have to be considered when you enhance the value for the product.
The product knowledge is important because this impact would make the product acceptable into the global arena also. The smaller world has to be converted into the global world. The competitive advantage has to be enhanced the earlier start for the launching of the product is a must to get into acquainted with the better trends of the market. This we have shown you in this model.

Build knowledgeable sales- people – they have to identify the market segment where the product will be accepted. You cannot sell a wrong product in a wrong market i.e. you cannot sell winter products into summer markets or you cannot force non vegetarian people to eat vegetarian food. We have to search for markets where there is a need and the product could satisfy the concept related to the particular desire.

6. MARKET IDENTIFICATION AND DEVELOPMENT

The identification of the market - The market identification relates to the total scanning of the mass market and the segmented market. This segmented market takes the impact of segregation related to the physical attribute variables which relate to the

- geographical
- Demographic variables.

The demographic variables have an impact where the behavioral attributes are also created to create a product uses, where the

- lifestyle
- psychographic impact

The shopping hobbits in the media uses build a total profile of the target market.

So you have to select the market according to the lifestyle of the people and according to the external variables into the market.

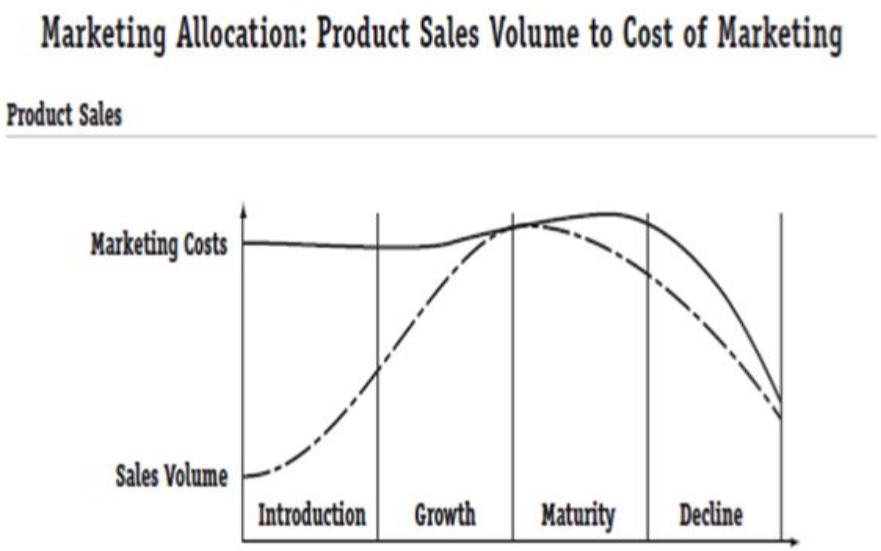
The external market identification model helps you to give

- market- use pattern
- impact on the mass to the segmented market
- Segmented market is **divided** into the geographical and demographic.

This demographic model gives you the product uses through and a media uses to build a target market profile.

- When you try to allocate the resources for the product growth into the market you have to study
- The impact of marketing effort so as to increase the sales through the product information.
- Knowledge is important because when you try to scan the product knowledge you have to study the lifecycle in the face which the product is existing.

On the 'Y' axis - the sales
On the 'X' axis - the time related to the product appeal.



When the product is in the introductory to the growth to the maturity and decline stage you would see the marketing cost also have to reduce at the decline stage.

The introductory costs are optimal they increase with maturity of the market but when they decline the product facing out of the market.

The market identification process for the product development relates of a

- selection of market based on a segmented appeal
- Select variables related to the target market.
- define the market segments of the customer attraction
- When the profile builds up.
- Understand the product of the geographical acceptance.

We have shown you over here a format and a chart which is used by a sales person to build the inventory related to this knowledge. This has to relate to the level the product has to operate

- global, national, international, regional, divisional, state, country
- minor civil division, place, city or town it is the block
- numbering area,
- population
- block group,
- block, street
- place of the residence
- Place of business.

7. THE PRODUCT KNOWLEDGE THROUGH FORMATS

So this format fills up the detail impact where the product is accepted into the market of the detail depiction of the area which has to be covered by the product. The format of the product **purpose** shows the appeal where the product models are described. See we have shown you the record of the product of the model xyz and model xy2. Here the **purpose** of this model is that it works on removing the stains from the clothing this works on clothing to protect from the stains. So we have models of the product functions this information about the product is important before the product is taken to the people in the terms.

So this format makes the sales people to remember what is the function of the each model of technical requirements? Then the format related to the target market of the product relates to the product model and the consumer type like here we have shown you the model xyz where it works only on the customer involved United States. This model xy2 works where the expenditure is related to the areas which are related to the far-out areas of the United States. Then we have the product market customer opportunity selection here we have the existing into the new products.

Format related to the product market, customer opportunity selection. Here we have shown you
The existing product and the new products and on the 'X' axis
We have the existing customer types, new customer types, existing geographical markets and new geographical markets.
The format relate to the distinctive product factors related to this format where you have product and distinctive factors.
Model ABC and model ABC2 relates to the features related to the product that it works in the serials and this is number of users is related to the other liquid need also. Then is the format this shows the product features and benefits. This is model XY and model XY showing the features in the benefits of the product. Product image format this again the product models and it impacts brand name and brand theme relate to the particular product models.

See the model XYZ relates to the fast starts and brand theme is all in one and the model XY2 relates to the fun house and it is related to that advance is simple. So these are the brand theme and the brand name associated with the product. The product appearance is also formatted in this the paper which is related to product, models, brand names it is the actual by itself appearance of the product and it is the package in which it is sold. So this will describe the appearances of the product. Actually what is the product by itself and how it will look through the packaging?

Product lifecycle format relates to the product models, it relates to customer, it relates to the product lifecycle stage and the customer lifecycle stage, the time and the factor.

The format related to sales contribution relates to

- product model
- percentage of sales
- Growth profit margins.

We have various models and the impact of each percentage shown.

The product sales trend is shown in this format by the product model, the trend and the impact is depicted. The product price, cost structure is related to product model and to the product of the costing impacts. Here we try to depict the volume of the product of units, the price, the allowance, the revenues, the cost of goods sold, the gross profits and the gross margins. Then is the format for the product profit structure this relates to the product of the sales, sales of the units, growth percentage, cost of goods sold, gross profit and gross margins. Then also you have to study the format related to the production resources and limitation, the production facilities, the workforce of the machinery.

The present status and the future plans companies have to be understood before you take product to the market because you have to convince the customers so as to explain what is the development of the product in the future? The production resources and limitations should also be studied before you take the product to the market. This format shows what the present status is and the future plans of the outside supplement and of the production facilities. The operational control of the in-house facilities and the in depended facilities both what is the present status and the future status. Even the legal aspect related to the legal control of the product of the copy right and the patents of the product and what is the issue related to the product has to be studied. This relates to the product model the filing status if already the patents are there or it is the date where which you have to cover. The product liability also has to be studied of the level of the exposure and the cost of the insurance associated with the product and the various model. So these are the issues related to the product information knowledge which a sales person has to take before he takes the product to the customers.

Before he has to take the product to the customer he has to himself understand what the concept of the product is, what is the impact of the product, what is the status of the product and how the company wants to create a a brand and the image of the product into the mind of the customers? The perceptions have to build by the people who are associated with the product. Appeal has to be created by the people who are stimulate the demand in to the market so we have to study all the aspect related to the product enhancement and the growth and development so as to enhance the customers in market where they can buy the products.

The development actors could related to the cost reduction where you can give better allowances to the customers it is the product alteration of enhancing the features and adding something new so as to build up innovative details. It is the product eliminations to eliminate the products which are not acceptable by the customers or the faulty products. It could be the price changes and the product improvements which could enhance the value of the product into the market. The following action would result into an improvement of the product so as to increase the product refinements. The product additions, the product deletions and the product replacements; where the product could be accepted by to the market. The developments status of the product is important because the product has to be tasted where it has to be accepted in such a way that the sustainable impact of quality assurance and the performance assurance is there where the customers which it is catering. Let's study the modern form of the organization which is based on the process structure which increases the impacts of the product improvement in to the market. The finance, the marketing, the accounting the customers relationships the marketing research everything is done in order to give the better quality options to the customers into the market. Here we have shown you the overall process generated by a team leadership this helps in the better management of the product and give a development plan. Here the product processing and the fulfillment of the team effort are done so as to a customer, a product which is better adaptable to their details.

This is the support team, which **facilities** the service elements enhance the satisfaction. We are in an era where a technology is there and the sales automation system exists the total profile of the product is updated on the website. The website gives and a full detail related to the selling system existing in the company which gives the techniques of intervene how to close a sale, how to study the competitor's product and the customer data is available online. This establishes the product sales and the services available related to the facilities of the manufacturing and the marketing departments and the customer support given by the company. The reporting performances related to the leer activities, the sales activities, the loan processing activities, the market costing, the product and the customer profitability and the standards related to order system also. So this software also updates the detail related to the company of the not only a department but a support data of a customer is also available where the habits and the needs of the customer could be identify and according to their needs and the knowledge of the product could be build up. the sales activities have to relate to a an effort it relates to a a system which buildup a a plan to give a revenue of company.

See this model in which we have shown you the system of market audit which has to be done in such a way that you try to do a system evaluation where a product appeals has to convince the sales and the revenues if they are up that means product is working in a positive way, the product profitability if it is impacting the company's positive growth. It is impactful

- the market size
- the market share

The expansion and the growth and the sales structure relates to the positive impact which the product gives in the market.
This product order relates to the data management of the product, the pricing, the distribution and the sales management effort done to enhance the product knowledge. The product knowledge enhances the sales for the company and this enhances the growth of the company.

So I hope the students must have understood the concept of product knowledge, how it is important to build up this concepts so as to increase the customer satisfaction and this customer satisfaction can enhance the increase sales.

Thank you students.