

UNIT 10: PRODUCTS AND BRANDS

TEACHING NOTE*

This chapter basically consists of two large topics—what products are, how to classify them, which marketing decisions must be made about products; and the nature and role of brands. It is assumed that a special discussion of services is deferred to Unit 11. Textbooks typically cover the same topics at only slightly different levels of detail. Since the chapter on products and brands allows for several questions of the “what is” type, it is ideally suited for teaching students to think in the Catholic spirit. Overall, the goal should be not to see the vast landscape of products and brands as a rather undifferentiated continuum or as an unintelligible maze but as part of the life-world that, for the most part, humans have created for their own purposes. There are some natural structures that allow for a classification of products that is less arbitrary than the textbook wisdom.

(1) Classification of products

The classification of consumer products into convenience goods, shopping goods, and specialty goods is still featured in every textbook, sometimes augmented by the category of unsought goods. It was first suggested in 1923 but has never been introduced in a rigid way, by offering real definitions or by axiomatizing nominal definitions (Copeland 1923). The three categories are mainly distinguished by the effort consumers make to obtain them, which of course depends on consumers’ choice. This classification is not exhaustive, does not clearly demarcate the categories of products, and therefore appears ambiguous and *ad hoc*. In the classroom, this can easily be demonstrated by having students classify a number of borderline product categories.

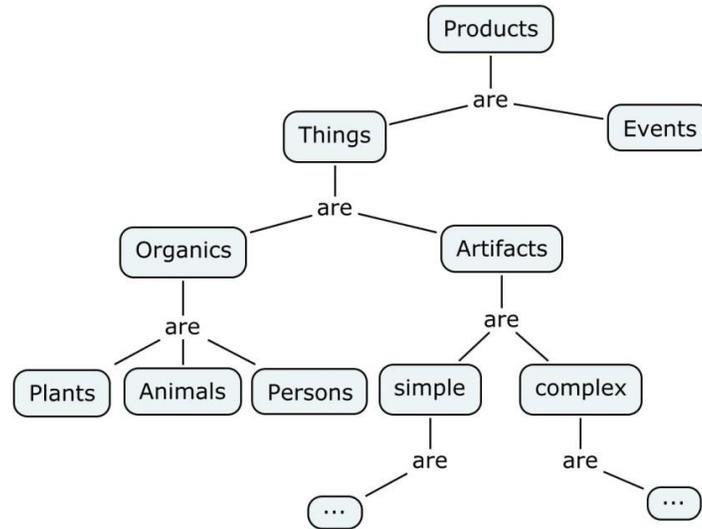
Realists want to detect real differences among products that will then suggest different marketing strategies. Just like they seek for natural ways to “carve up” markets, natural differences among groups of products will be sought. “Natural” here means that a classification is based on the nature of products themselves rather than merely being introduced by marketers.

Students may be asked to suggest a new classification of products. Some prodding by the instructor is often necessary to come up with appropriate classifiers. Students sometimes have difficulties to envisage the vast domain of products, which they tend to reduce to products in their daily usage. However, students often suggest top-level categories such as grown (natural) vs manufactured (artificial), and simple vs complex.

The instructor may then introduce a classification of products based on what they are, or what their nature is. It should capture essential distinctions between categories. In the Aristotelian-Thomistic tradition, a first top-level distinction is that between things and events. Things can then further be subdivided into organic products (that originate in the world of humans, animals, or plants) and into artifacts, or manufactured products. Organic products—bananas, rice, salmon, or human beings—are true substances and enjoy a high degree of unity; they are not considered as composites. Artifacts, on the other hand, are not substances (in the sense of Aristotle and Aquinas); they depend for their existence on human consciousness and design. Artifacts may be more simple or more complex, but they do not enjoy organic

* Shaded text portions refer to student activities.

unity. Artifacts—which include toys, automobiles, shampoo, pencils, and computers—may then be further classified by their degree of compositionality (or complexity):



This is still a rudimentary classification that can be further elaborated. But developing it on the basis of what products are rather than how they are used, or which attitudes consumers have toward them, leads to a view of product strategies that is different from the textbook accounts. These are some of the differences:

(1) In an Aristotelian ontology, processes fall under events. The top-level distinction is therefore that between marketing “things” and marketing services. This distinction is of course familiar from standard textbooks. Events include also experiences. The big division in marketing, then, runs between physical products and all other products.

(2) The degree of unity of a product is a new concept for marketing. Bananas are a substance (and a natural kind), as is rice. The complexity level of organics can generally not be changed, and where it is (for example, through genetic manipulation), it raises ethical problems. The marketing of persons may violate human dignity, and the marketing of animals may in some cases violate the ethics of care that is incumbent upon humans. Even with the most ill-conceived artifacts, such issues are not likely to arise. The category of organics may not be exhaustively defined, and the question will arise of how much manufacturing may be admitted (such as in cornflakes) to still be regarded as an “organic” product. However, organics provide affordances for common advertising strategies. Very often, the history of organic products including their growth in natural environments (banana plantation, eggs from free-ranging chicken, sports personality as a young person, etc.) is part of the creative strategy. This makes perfect sense, because organic products have a history with distinct stages. Product unity (“closure”) can profitably be used for marketing.

(3) For artifacts, their overall complexity (i.e., their composition of parts) is a crucial principle of classification. The more properties a product has because of its parts, the more consumers can build up associations. Paper tissue offers fewer options for developing promotional strategies; automobiles or vacation packages offer many.

Developing alternative classification systems for products challenge students to engage in critical thinking about business including its ethical aspects. It implements the scholastic principle that it is the nature of products that decides what they are for and how they should be used in marketing.

Teaching resources:

Copeland, Melvin T. (1923). "Relation of Consumers' Buying Habits to Marketing Methods." *Harvard Business Review* 1(3), 282-289.

Holton, Richard H. (1958). "The Distinction between Convenience Goods, Shopping Goods, and Specialty Goods." *Journal of Marketing* 23(1), 53-56.

<http://www.marketingpower.com/ResourceLibrary/Publications/JournalofMarketing/1958/23/1/6865788.pdf>

Schumacher (1977), chs. II & III

(2) Nature and function of brands

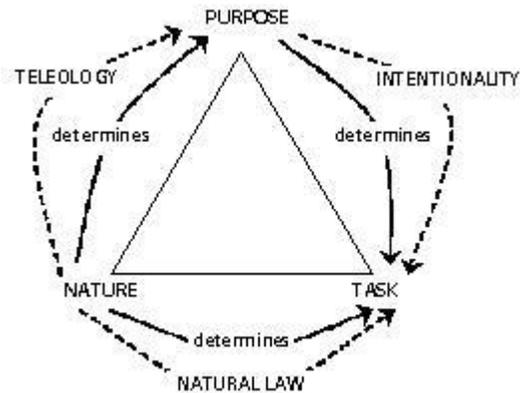
Textbooks are often very careless in explaining brands. It is important to keep the brand, as the total of consumer associations with a product, apart from the product itself. It is equally important to distinguish brands from the brand elements (name, logo, jingle, tagline, color, etc.) that serve to mark it. Exactly because brands as such have a mental existence, physical referents serve to enhance their recognizability and memorability.

A fruitful classroom exercise revolves around the question, "What is a brand?" Instructors may use it to practice the development of real definitions according to *genus proximum* (next-higher kind) and *differentia specifica* (distinguishing characteristic). This question is challenging because for brands the next-higher kind is not easy to find. Several options are possible, and students typically need some help in coming up with a rigorous definition. A possible example is: "A brand is a construct that through markers sets a product apart from all other products." Students should recognize why many definitions of brands are defective, for example the following: "A trademark or distinctive name identifying a product or a manufacturer." "The name, term, design, symbol, or any other feature that identifies one seller's product distinct from those of other sellers" (American Marketing Association). Such definitions reduce brands to the elements used to designate and express them.

Though brands have a mental existence, they are not subjective. The challenge now is to make students understand what this means. Specifically, how can brands be real and yet exist in consumers' minds, where they might have different meanings around a rather stable core of associations? Clues to an answer can come from the Christian understanding of signs, symbols, and rituals. Christianity has developed a very rich language of symbolic meanings that refer to an underlying reality and help humans to communicate about it. The Cross is a symbol that refers to Jesus Christ through what is essential about Him—his redemptive death on the Cross. Effective symbols must contain in themselves the nature of what they express. Aquinas expressed this through his condition of *connaturalitas* (*connaturalitas*), or a natural affinity of one thing to another.

In seeking to understand brands, the scholastic model of asking about the nature, purpose and task of a thing can be fruitfully employed. The nature of a brand lies in its iconicity, i.e. in uniquely representing a

product. Its purpose is that of creating brand equity by increasing the financial value of the product. If this is to be achieved and uniqueness is to be safeguarded, several tasks may follow: leveraging of the brand through product line and brand extension; trademarking of the brand; co-branding, etc.:



Students may be asked to use this model of scholastic reasoning to explain the role and function of brands given a few examples. This is an easy exercise that is usually well received. Furthermore, the question may be posed of what connaturality between a brand and the underlying product may mean, or when a brand is “natural” for that product. Brand elements such as name, logo, tagline, etc. must all complement each other and show a good “fit” with the product in order for a brand to become strong (Grassl 1999). Examples can be identified through a brainstorming exercise.

Teaching resources:

Aquinas, *Summa theologiae* I, q.13, a.1; I-II, q.26, a.1; I-II, q.32, a.3; II-II, q.45, a.2

Grassl, Wolfgang (1999)