



Subject _ Marketing Management

Topic. _ Product planning

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Meaning of Product planning

The firm's marketing program begins with product planning. It is designed so that the firm may be able to achieve its objective it is thinking in advance the future course of action to be taken relating to the product it implies what to produce what type of product is to be produced how to produce (quantity) for whom to produce (target market).

Definitions of Product Planning

“Product planning embraces all activities which enable producers and middlemen to determine what should constitute a company’s line of products.” – W.J Stanton

“Product planning determines the characteristics of product, best meeting the consumers numerous desires, characteristics that add sale ability to products and incorporates these characteristics into the finished product.” – Johnson

Elements of product planning

Following are the significant elements of product planning:

- (1) **Marketing research:** It is the basis of marketing concept. It is a process of gathering, classifying, analysing and interpreting the relevant information regarding consumer needs and preferences and market scenario. It takes place before the product planning. The product planning is done on the basis of the final result of marketing research.
- (2) **Technical research:** Knowing the product features desired by consumers is not sufficient, unless it is checked that whether such features can be incorporated in product or not. Technical and engineering test serves this purpose.
- (3) **Modification in existing products:** In order to meet the demand and expectations, the relevant information is collected for product modification. Thus, it is also considered as a part of product planning.
- (4) **Elimination of the product:** In some circumstances, when the product fails to meet the demand because of cut-throat competition and results to low profit, the decision to eliminate the product may be taken which is also a function of product planning.
- (5) **Price determination:** Price determination is also part of product planning. The product manager considers different factors such as cost, competition, objectives of the firm etc. before fixing the price of the product.

IMPORTANCE / NEED / ADVANTAGES OF PRODUCT PLANNING

Product planning is an important aspect of a marketing program. Without product planning, a marketing program cannot be determined because what the customer wants is the basis of the marketing program and product planning is necessary to produce the same product. We can explain the importance of product planning based on the following facts:

- (1) **Basis of Market Program** - Product planning is the basis of the entire marketing program. The success of the marketing program depends on the extent to which the produced product of the enterprise is distorted. For this, through product planning, an effort is made to produce the same items which can be sold easily and as quickly as possible.
- (2) **Shoulding Social Responsibility** - The social responsibility of a marketer is to produce the same type of goods which can raise the standard of living of the society. Product planning is a means to fulfil the social responsibility of the business. The businessman discovers the needs of the society through consumer research and tries to produce the kind of goods he wants.

- (3) **Increase in Profit Capacity of the Enterprise**-The main objective of the marketer is to maximize their profits in the long run. For this, only those goods should be produced which can be sold easily with benefits. All these things are possible in product planning.
- (4) **Optimum Utilization of Enterprise Resources** - Product planning also has an important place in making the best use of the means of enterprise. Product planning is done in such a way that no instrument remains idle and no instrument is used more than the requirement.
- (5) **Increase in Managerial Capacity** - Product planning increases managerial efficiency because it already determines what to produce and what colour, design, variety and size of the item. Have to build. This makes the product work easier. If a manufacturing firm does not do product planning, it is assumed that the firm lacks qualified, experienced and visionary managers. In the absence of product planning, the firm will have the same position as a boat when a boat is left with the help of sea waves. Here if it is said that the lack of production planning is indicative of managerial insolvency, then there will be no exaggeration.
- (6) **Competitive Weapon** - The importance of product planning has increased even more in the current fierce competition era. In order to maintain the existence of any product of the company as compared to the competitive goods and to sell the goods with reasonable profit, only those goods which are

in demand in the market should be produced. To stay competitive, customers, services, advertising, sales. And the success of decisions related to pricing etc. depends on the product planning itself. Hence, product planning is resorted to.

(7) **Wide Scope** - Extensive area of product planning. It includes the development, innovation, name, colour, form, shape, price, variety, brand, packaging, etc. of the commodity.

The role of the marketing manager in product planning

(MARKETING MANAGERS ROLE IN PRODUCT PLANNING is the responsibility of the firm's owner for the product planning function. In the form of a company design, the governing board has to fulfil this responsibility. Normally the governing board is responsible for marketing this responsibility. Assigns to the manager because in most areas of product planning, the marketing component is the deciding factor. It is advisable to place the product planning function in the marketing manager's area of work. Some organizations create a 'Product Planning Committee' for this task. Tax in which there is a separate product manager for a separate product who is also a member of the committee. All these managers work under the marketing manager and the marketing manager himself is liable to the governing board.

It is noteworthy that the marketing manager needs to keep a constant eye on the market. In the modern times, the interests, preferences and needs of consumers are changing rapidly. Therefore, he should keep himself aware of the changing needs of the consumers and bring the necessary information to the production and engineering departments so that necessary changes can be made in the product. It is not possible for a marketing manager to think that his product is very good, his product has received consumer acceptance, so it is not possible to get him out of the market. Circumstances change very fast. Many products, which previously gained monopoly status in the market, have become completely obsolete today. Therefore, the marketing manager should periodically make necessary changes in the product according to the needs of the consumers.

Questions

Short :

1. What do you mean by Product planning?
2. Explain any three elements of product planning.

Long :

1. What is the needs of product planning in a company?
2. What is the role of marketing managers in product planning?

Keywords

1. Target market
2. Responsibility
3. Exaggeration
4. Task

References

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Thanks