Lesson 5: The marketing mix: Product

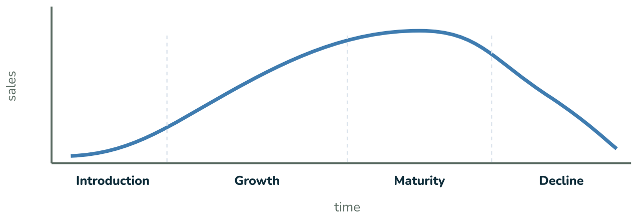
🎯 Learning goals

- ✓ Explain USP and brand image, and why they matter
- ✓ Describe the stages of the product life cycle
- ✓ Explain extension strategies and when to use them
- ✓ Use the Boston Matrix to analyse a product portfolio

🔑 Key words

- **USP** Unique selling point — a feature that makes a product stand out.
- **Brand image** The way customers perceive a brand.
- **Product life cycle** The stages a product passes through, from launch to decline.
- **Extension strategy** A method to extend a product's life and delay decline.
- **Boston Matrix** A tool to analyse a product portfolio by market share and growth.

📘 What you need to know



The product life cycle: introduction, growth, maturity and decline.

1. USP and brand image

A **unique selling point (USP)** is a feature that makes a product **stand out** from competitors — for BrewBliss it might be locally roasted beans or award-winning latte art. A USP matters because in a **competitive market** it gives customers a reason to choose you over the chain next door. **Brand image** is how customers **perceive** a brand. A strong, positive image (cosy, ethical, high quality) builds **customer loyalty** and can even let a business **charge higher prices**, because people will pay more for a brand they trust.

> *"A USP gives customers a reason to choose you; a strong brand image keeps them coming back."*

2. The product life cycle

Most products pass through a **product life cycle**:

- **research and development** (designing it)
- **introduction** (launch, low sales)
- **growth** (sales rising fast)
- **maturity** (sales peak and level off)
- **decline** (sales fall)

To delay decline, a business uses an extension strategy — for example updating packaging, adding new features, changing the target market, advertising , or a price reduction

3. Product portfolio and the Boston Matrix

A **product portfolio** is the **range of products** a business sells. Businesses use the **Boston Matrix** to analyse that range by **market share** and **market growth**, sorting products into four groups:

- **stars** (high share, high growth)
- **cash cows** (high share, low growth — steady earners)
- **question marks** (low share, high growth — risky but promising)
- **dogs** (low share, low growth — often dropped)

A balanced portfolio helps spread risk

✅ Test yourself

Cover the answers below, answer Q28–Q37, then check.

Q28 What is a unique selling point (USP)?
Q29 Why is a USP important?
Q30 What is brand image?
Q31 Why is a strong brand image important?
Q32 Name the stages of the product life cycle.
Q33 What is an extension strategy?
Q34 Give two extension strategies.
Q35 What is a product portfolio?
Q36 What is the Boston Matrix?
Q37 Name the four categories of the Boston Matrix.

ANSWERS

A28 A feature that makes a product stand out from competitors.
A29 It helps a product stand out in a competitive market and attract customers.
A30 The way customers perceive a brand.
A31 It builds customer loyalty and can allow a business to charge higher prices.
A32 Research and development, introduction, growth, maturity, decline.
A33 A method used to extend a product's life and delay decline.
A34 Updating packaging, adding features, changing the target market, advertising, or price reductions.
A35 The range of products a business sells.
A36 A tool to analyse a product portfolio by market share and market growth.
A37 Stars, cash cows, question marks and dogs.