

## D8 Product policy – Solutions

1

- a Intrinsic value: objectively measurable product characteristics (e.g., size, material)  
 Extended value: subjective attributions of characteristics (e.g., image, brand)
- b Individual solutions. Suggestion:  
 Product: iPhone  
 Intrinsic value: apps, large display, materials, user-friendliness  
 Extended value: modern design, Apple brand, prestige

2

Individual solutions. Suggestion:  
 The assortment breadth of Migros and Aldi are similar, but the assortment depth is more pronounced at Migros – i.e., different products and varieties of one type of product are offered.

3

Product: milk

Function	Description
<b>Transport and protection function</b>	The milk must be protected from contamination and be able to be stored in a reasonable manner.
<b>Information function</b>	The milk packaging informs customers about price, ingredients, shelf life, etc. It's also where the barcode is printed, which allows for fast scanning at the register while at the same time providing the company with sales information.

Product: medication

Function	Description
<b>Transport and protection function</b>	The packaging of medicines must be such that the products are protected remains sterile when faced with the outside environment as well as temperature fluctuations.
<b>Information function</b>	The packaging of medications must inform customers about how it is to be used, its effects and potential side effects. In addition, active ingredients and the expiration date must be visible.

4

- a Product design M-Budget:
- Design/shape: green and white, big orange M, design should be simple, but the low cost products should be instantly identifiable to the customers
  - Packaging: design should be simple, Migros has chosen a certain style that gave rise to a cult following
  - Branding: store brand

- b The Migros customer should always be able to easily recognize the cheaper products. Through this, Migros tries to bind their customers to itself and its store brand. Customers associate the simplicity of the packaging with "inexpensive". Such an association reinforces perhaps a lower level of expectations by customers.
- c Addressed market segments: Lower-income groups, students, bargain hunters, price-conscious buyers

Source: [www.migros.ch](http://www.migros.ch)

## 5

### a

Core	Additional service characteristics	Extended services
- Train trip from A to B	- Design of the train and the compartments	- Special compartments such as child compartments, restaurant cars, sleeping compartments, etc.
- Interval timetable	- Seat designs	- Ability to charge electronic devices
- Connecting trains	- Layout of the spaces	- Wi-Fi
	- Air conditioning	- Baggage check
	- On-screen displays (stations, connecting trains, delays, additional information)	- Transport for the handicapped
		- Information services

- b Intrinsic value: Satisfying the need for mobility  
 Extended value: Recognition of ecological mobility behavior; luxury, calm and space when traveling in first class