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**FACULTY OF ECONOMICS – MASTER STUDIES**

**DEPARTMENT: MARKETING AND BUSINESS ADMINISTRATION**

**MASTER THESIS**

**“POLICY OF PRODUCT’S TOOL”**

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## INTRODUCTION

The contemporary economy is characterized with free market. Business activities and that of economy in general are exclusively linked with market.

The product has been and still is present in the human kind's activity.

It is a direct tool of mix marketing. The product has direct or transverse connectivity with the producer and consumer with all the strata, in the quality of the creator, users and tenors in different forms.

Product as a main element of the mix marketing, consists of interaction, price, promotion and distribution.

Has a wide meaning because it includes the material, servant, instrumental, psychological, emotional, biophysical and strategic-status aspect.

According to Kotler: Product is anything that can be offered to the market and that draws attention, supplement, use and consumption and to fulfill a wish or a need. By that, we mean physical objects, services, people, distributions, organizations and ideas.

From the definition of Kotler, it is learned that the product is a material, servicing, idea, spiritual good etc, that is out in the market and in it the consumer finds its benefit and interest for the fulfillment of his/her defined needs.

The product can be defined in a more defined form.

It is important to clearly understand the meaning of product. In reality in everyday life, in each time, in each environment, we are in contact with the product with different types of products, which have or don't have form, are or aren't touchable, are or aren't visible.

From the marketing aspect, the product contains something from the physical, functional, esthetic, symbolic quality, features that in market are received by consumers, who are ready to give the relevant counter for their buying. The product is a whole with physical-chemical, mechanical, serving and mental content, that serves for the fulfillment of consumers' needs.

With a product, the consumers fulfill his/her material needs (food, clothing, housing etc) needs that are related to services (travelling by car, phone conversations, use of washing machines) needs that are manifested in the quality of symbols respectively differences of statuses when the consumer wants and is able to buy furniture that are distinguished as best, as most expensive, to construct or buy a house with interior and exterior architecture and structure, mentioned as the object that no one else possesses in that certain environment.

Products give the symbol of differentiating consumers from others but are general to the whole buyers, users, of the character of wide consumption or industrial.

### **Purpose of the paper**

The purpose of this paper of the Master thesis, is the elaboration of the marketing field since the early beginnings of it, and then its evolution within decades. The change of the consumer's behavior is elaborated during the evolution of the modern marketing.

It is talked about how the product was in the beginning of marketing, which marketing methods were used, how effective was marketing then. Then, during this work we will elaborate how marketing evolved, how bringing the product changed with the eventual marketing, or era of the modern marketing, era of marketing through internet, online marketing etc.

Are the consumers pleased with the marketing offered to them? What advantages and disadvantages are there in the behavior of consumers in the modern marketing, online marketing?

### **Interrogated questions**

- How was the product in the time when marketing wasn't developed?
- Has the policy of product changed by the beginning of marketing?
- In what condition is currently the product in the era of modern marketing?
- How is the policy of the product expected to be in the near future?

## **SUMMARY**

- Product is the most important tool in mix marketing. Its dimensions are treated depending on the competent members, the products are diverse.
- They are classified in some groups. Many kinds of products are more in the wide consumption than in the industrial consumption.
- The product is characterized with its attributions. Attributions consist of a combined complex.
- Attributions consist of the product design, which is creative complex, which deals with the essence and other qualities of content, the internal and external structure.
- The product is specified with its label, so with the sign, symbol, name etc.
- To add the quality, the product must be wrapped.
- In the function of the enrichment of product, first services and after sale ones are offered.
- Kind of products consist of the production assortment, each assortment has its own dimensions, meanwhile along with the policy, the optimizing of diversification, simplification and at last the abandonment of old products from the production program, appear.