

Does Product Augmentation Provide Value?

Choose between the following sets of competitive product offerings. One of the choices is more heavily augmented. Review your selection, how important was the augmented product level in your decision? Are you willing to pay more?

Listed below are three sets of two product offerings. For each set, choose product one OR product two.

Choice for software

Software One

- Contains 100,000 clip art images
- Helpdesk has an international phone number
- Price = \$49

Software Two

- Contains 100,000 clip art images
- Helpdesk has a local phone number.
- Plus free access to a website with additional clip art
- Discounts on future software upgrades
- Includes a free disk on design tips
- Price = \$79

Choice for a gardening shop

Gardening Shop One

- Sells plants, pots, seeds, chemicals
- Has junior staff
- Average plant price = \$10

Gardening Shop Two

- Sells plants, pots, seeds, chemicals
- Has experienced staff who give advice
- Have free information sheets
- Monthly gardening tips free seminar
- Average plant price = \$15

Choice for a chocolate

Chocolate One

- Chocolate with toy
- Targeted at kids 4-8 years
- Price = \$2

Chocolate Two

- Chocolate with toy
- Targeted at kids 4-8 years
- Contains password to play games online free for 24 hours
- Has a fun website for kids
- Price = \$3

Student Discussion Questions

1. In each of the product choices above, on what basis did you make your selection?
 2. Therefore, to what extent do you think that product augmentation provides value to a consumer?
 3. How do you think that a 'high involvement' purchase decision would be impacted (would a highly involved consumer prefer a low or high level of augmentation)?
 4. How effective is augmentation for differentiating a product offering?
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