

# Using the Three Product Level Model

Most marketing textbooks will show products as having three distinct levels, namely:

- Core product (main need or consumer benefit)
- Actual (or basic or tangible) product (design and features)
- Augmented product

## Core product

The core product is the basic need or benefit that the product is trying to meet or deliver. The best way to think about this is from a consumer's perspective – why is the customer buying this product solution.

For example, why does a consumer buy a magazine? Because they find them entertaining or it prevents boredom or fills time. Therefore, the core product for a magazine is entertainment.

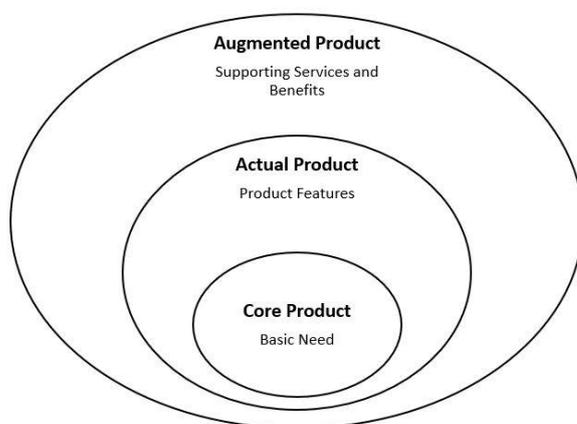
## Actual (or basic or tangible) product

The actual product is that the overall product design. If you were to describe a product in detail, then you would be describing its product features, which is the actual product.

As an example, consider breakfast cereals – when describing the cereal, you would highlight; shape, taste, texture, size, color, aroma, crunchiness, smoothness, ingredients, packaging, name, brand, images, and so on.

## Augmented product

The augmented product is the additional supporting services and features that increase the set of benefits available to the consumer. Again, using a breakfast cereal example, we could add extra value and benefits through product augmentation by: having recipe ideas on the packaging, provided a code to access free online games, and so on.



## Discussion Questions

1. Pick two product categories – one should be a physical good and the other should be a service. For each product that you have selected, outline how the three product levels could be structured.
2. In your view, how helpful is it for a marketer to split the product into its different product levels?