

Utility

Definition: The satisfaction or benefit gained from consuming a product



5 Types of Utility:

1. *Form Utility*

- Material
- Scent
- Flavour
- Colour
- Design
- Packaging

2. *Information Utility*

3. *Place Utility*

4. *Time Utility*

5. *Possession Utility*

Form Utility

- **Definition:** Satisfaction or benefit attributed to a product based on the physical characteristics of a product that enhance its usefulness
- Relationship between a product's form and its function
 - *Form* - the product's look and shape, or the type of service provided
 - *Function* – what the product or service is intended to do
- Usually Form follows function – what a product is meant to do will likely determine what it looks like.
- 6 components:
 - Material
 - Scent
 - Flavour
 - Colour
 - Design
 - Packaging

Form Utility

Material Scent Flavour Colour Design Packaging

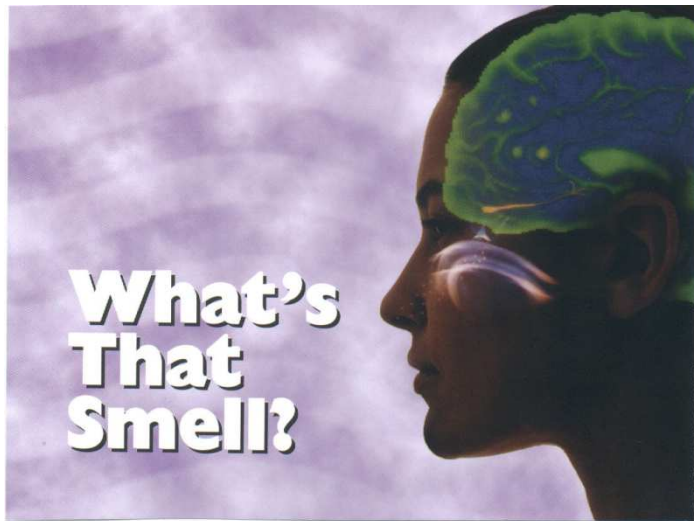
- Choice of raw materials to develop a product that is useful
- New technology allows for new materials to be used in product development (and improve form utility)



Form Utility

Material **Scent** Flavour Colour Design Packaging

- Make sure your product has a pleasing scent...
- Because no one will buy your product if it stinks!
- Can alter consumer spending and product selection



Form Utility

Material Scent **Flavour** Colour Design Packaging

- Scientists can use new technology to create artificial flavours that simulate the original
- Can reduce the cost while providing same level of utility as real



Form Utility

Material Scent Flavour **Colour** Design Packaging

- customers demand colour options and are influenced by the latest trends and fashions.



Form Utility

Material Scent Flavour Colour **Design** Packaging

- Probably the most important component of form utility
- Badly designed product will have little or no utility
 - breaks down
 - doesn't perform as advertised
- Consumers will pay premium for well-designed products



Form Utility

Material Scent Flavour Colour Design **Packaging**

- Needs to be functional
 - Meet legal requirements (e.g. labelling)
 - Provide instructions
 - Keep product safe/intact
- Communication tool
 - Brand “character”
 - First contact with customer – capture attention

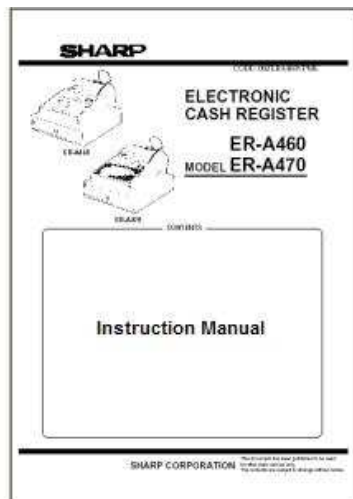
Form Utility

Material Scent Flavour Colour Design **Packaging**



Information Utility

- **Definition:** Satisfaction/benefit attributed to a product if useful information is provided to consumer
- Includes information like instructions, directions, user manuals and customer support
- Advertising is a useful tool to provide information utility
 - Lets consumers know what products are available, where and at what price



Place Utility

- **Definition:** Satisfaction/benefit attributed to product based on availability and access
- the easier the product is to find and purchase, the more place utility it has
- online shopping has increased the place utility for thousands of products.



Time Utility

- **Definition:** Satisfaction/benefit attributed to a product based on convenience of availability
- making a product available to the consumer when they want it. This is most evident for services..



Possession Utility

- **Definition:** Satisfaction/benefit attributed to a product based on ease of ownership transfer
- Businesses add possession utility by making their product easier for people to buy

