



Theodore Levitt's Concept of Products

In his book, *The Marketing Imagination*, Theodore Levitt describes the product according to the graphic above. Keep in mind that the difference is not in the product, but in the perception of the product. The product categories are:

- **The Generic Product** — This is the product itself, without the addition of any value-added services. For instance, it might be a product sitting at the manufacturer's facility.
- **The Expected Product** — The generic product with the services expected by the customer added. In the case of a distributor, this would be the product delivered on time in the correct quantity and invoiced correctly.
- **The Augmented Product** — When we add something beyond what the customer expects (assuming that we also include everything that he does expect, we have created the augmented product. It is by providing this product that we achieve a competitive advantage.
- **The Potential Product** — This is the product and all that has or is being done to increase its value, but also everything that can be done. The augmented product represents the possibility of still greater improvement.