**Product Life Cycle**

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| **Stage** | **Characteristic** | **Example** |
| **Introduction** | * **Product is launched & the public first sees or hears about it.**
* **The product appears in stores for the first time and will start seeing print & television ads**
* **High Investment, Slow sales (Least Profitable Stage)**
* **Company is focused on production & promotion**
* **Minimal Competition**
* **Pricing is usually higher for new models. Scaled down versions are sold at a cheaper rate**
	+ **iPhone 5S v. iPhone 5c**
 | **Subways Flatizza****iPad Air** **Google Chromecast** |
| **Growth** | * **Customers are aware of product. Focus shifts to customer satisfaction**
* **Sales will start to increase. Better returns on investment**
* **Competition starts from other companies**
* **Demand, Distribution, Competition, Advertising, & Sales all increase**
* **Secondary or supplemental products increase**
* **Pricing is usually maintained to maximize earnings**
 | **Smart TV’s****iPads** |
| **Maturity** | * **Product competition increases to the point where similar products are on market & in same stores**
* **Sales will start to decline**
* **Companies may choose to lower prices to increase market share or gain new customers**
* **Product starts to lose appeal. Becomes less attractive to customers.**
* **Little growth potential for the product**
* **Company tries to extend life cycle & maintain market share**
* **Spend more money trying to defeat competition**
 | **Blue-Ray Player****Laptops** |
| **Decline** | * **Sales = Expenses or Expenses exceed sales. Product may break-even or even lose money**
* **Companies can either maintain the product, reduce the price substantially, or discontinue it**
* **A lot of money is going into product for production and competition**
* **Market is saturated with products similar to yours**
* **Product may exit the market if company becomes cost conscious**
	+ **Companies will either Reposition, Rebrand, or Eliminate the product**
	+ **Extend Products Life:**
		- **Make modifications to the product (e.g.: new car model)**
		- **Change the packaging , Increase Advertising, or Export product to a new market**
		- **Introduce new varieties (Coca-Cola, Coke Zero, Vanilla Coke, etc..)**
 | **DVD Players****VCR’s****Desktop Computers** |