**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** |