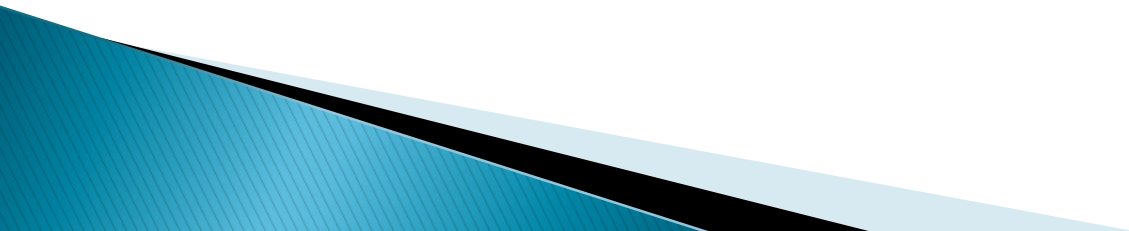
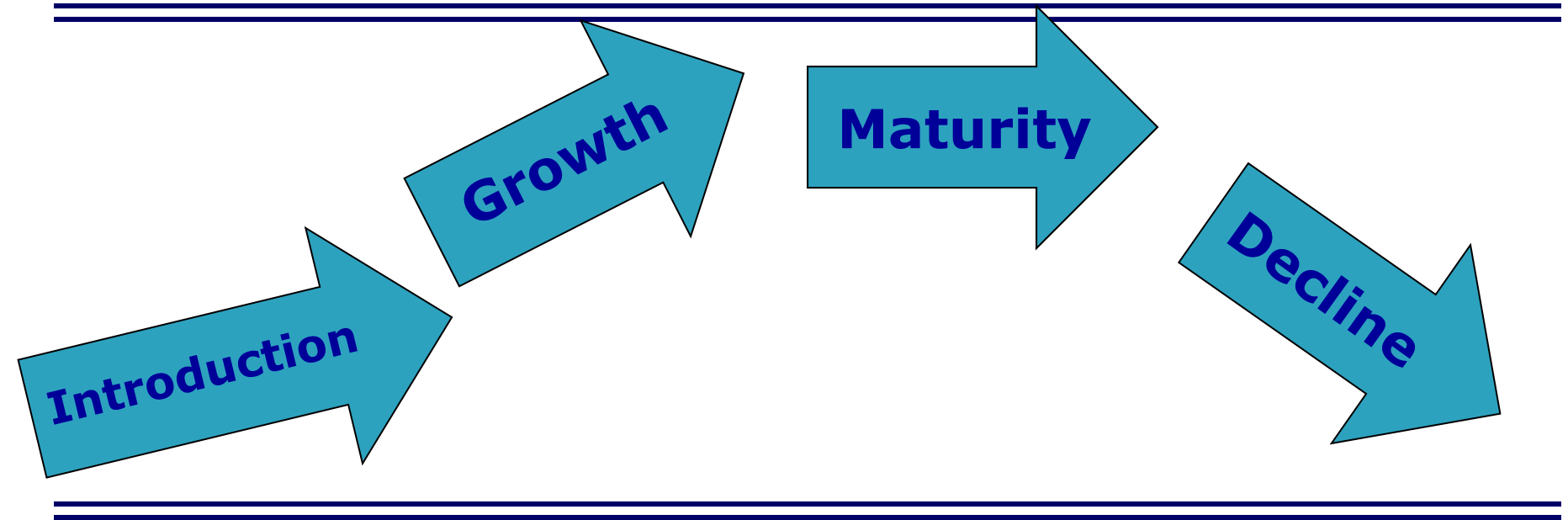


# The Product Life Cycle



# Product Life Cycle



# Stage 1: Introduction

## ► Stage 1: Introduction

- Occurs when product first enters marketplace
- Promoting consumer awareness
- Getting customers to try new product
- Millions of dollars spent to educate consumers
- Major task: getting product in the marketplace



# Stage 2: Growth

## ► Stage 2: Growth

- More competitors enter the marketplace
- Adding distribution outlets
- Product improves:
  - adding flavors, features, etc.
- Improved to stay competitive
- Sold in more locations



# Stage 3: Maturity Stage

## ► Stage 3: Maturity Stage

- Sales begin to slow down for the product
- Repeat customers stop buying the product
- Attracting new buyers is a challenge
- Product has reached its peak



# Stage 4: Decline

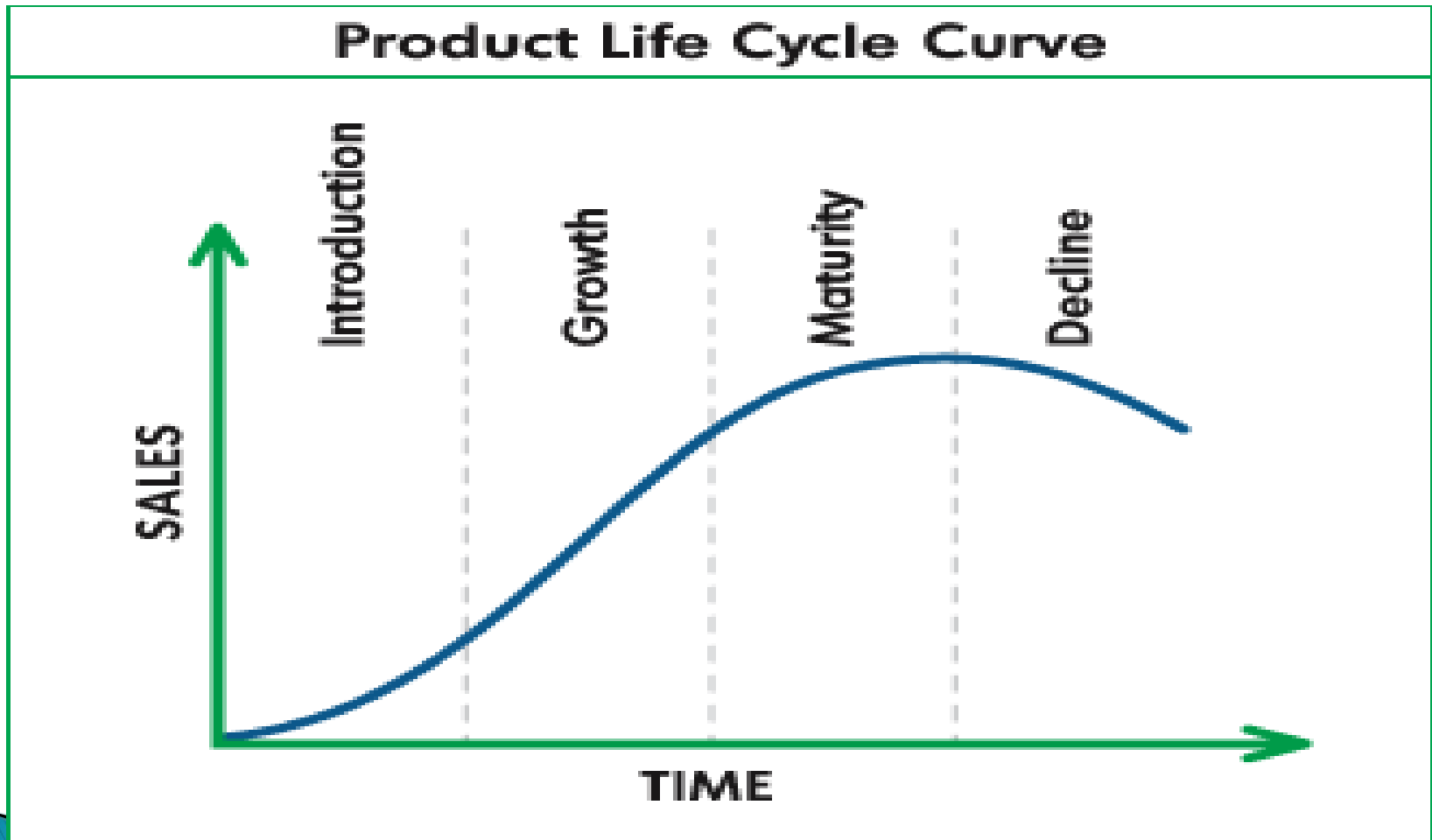
## ► Stage 4: Decline

- Sales and profits drop
- Little to no marketing support
- Product may be dropped by company
- There is no longer a demand for the product





# The Product Life Cycle Review



# Manage the Life Cycle

## □ Product Modification:

- Changing a product's characteristics
  - package, features, appearance, quality
- Companies market this “new” product to increase sales

## □ Market Modification:

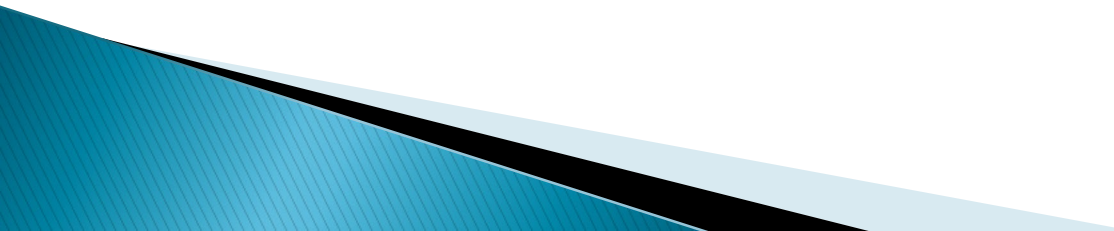
- Strategy to find new customers
  - Modify the product to create new target market
- Encourage current customers to use the product more

## □ Repositioning:

- Change product's image in relation to competitor's image
- A change in any of the 4 P's (Marketing Mix)



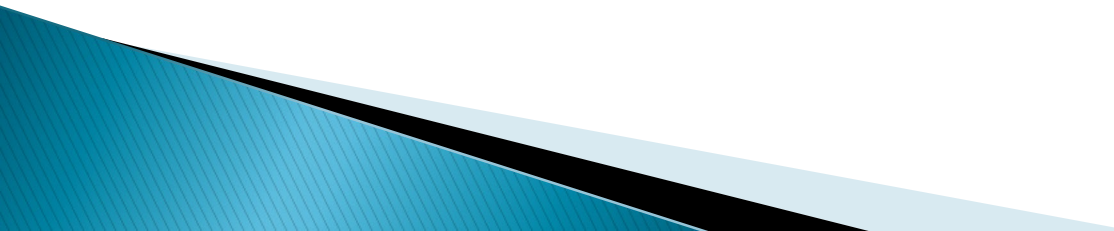
# Types of costumers.

- ▶ **Cost Oriented Customer.**
  - ▶ **Value Oriented Customer.**
  - ▶ **Technology Oriented Customers.**
- 

# Types of costumers.

- ▶ **Cost Oriented Customer:**

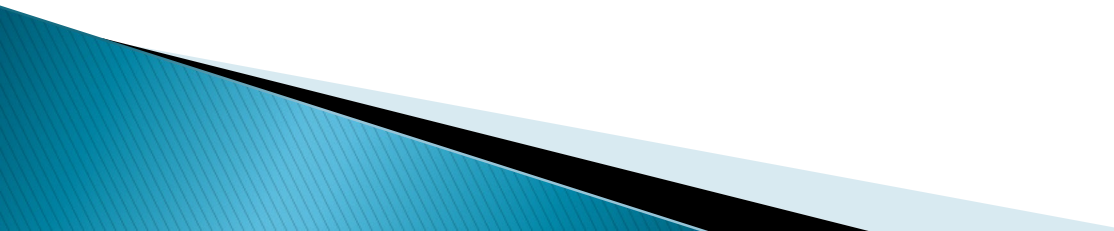
A cost-oriented customer focuses on least costs products and is ready to compromise on performance and quality. These types of customers are always prone to loss as when they have sudden problems with the products they always blame the supplier without judging that they themselves are responsible for this loss.



# Types of costumers.

## ► **Value Oriented Customer:**

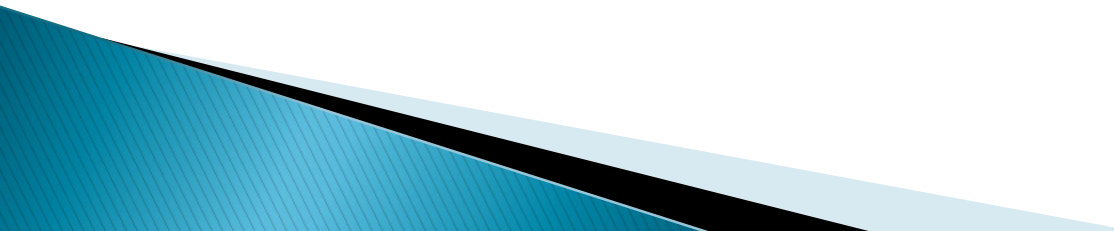
Value oriented customers will always stick to efficient and high performing products as they know that during a long run this would be a profitable deal. They are interested in investing higher initial capital cost and then enjoy the cost free benefits in future. According to these customers this type of deal is like a long term investment with higher future profit.



# Types of costumers.

## ► **Technology Oriented Customers:**

These customers choose for best technology rather than less cost or good quality and performance. These customers are technology conscious because they feel that usage of best and newest technological products would help them to remain sustained in the changing technological environment.



# Class activity:

- ▶ Discover 4ps (marketing mix)
- ▶ Look for a product failure must be a case study.