

Product life cycle and product level

Life



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The concept of product life cycle basically includes the course of a product's sales and profits over its lifetime. This process includes 5 distinct stages through which the product passes through the course of its life. These stages include product development, product growth, product introduction, product maturity and product decline. In the development stage that has already been based, the entrepreneur or the owner of the business would have actually come up with a business idea to launch such a product and then all the necessary processes would have been started in order to actually enable the entrepreneur to develop the product.

This includes the construction of plant facility, contracting supplier, distributors and hiring human resource. Then comes the stage of introduction which is this particular stage where the product is being marketed to the public. The targeted market would be exposed to advertisements and promotions of the product with which the company will actually introduce itself, its product, and its distinguishing features and hence convince them by highlighting their benefit if they buy that product (Kotler & Armstrong, 2007).

The next stage is the growth stage in which the company starts its sales, makes loyal customers and experiences growth in its sales. The company expands its operations and selling points by capturing more of the market share as the product earns reputation and appreciation after the first introduction and continuous use by loyal customers. The next stage is the maturity stage which is also known as the stagnant stage.

The product has shown all its ability and strength in the market and has been able to capture the maximum market share that it can with its current

features. Most organizations actually try to sustain this stage because of the fact that opportunities at this stage are much lesser than the threats to decline that the company sees in future at this point in time.

The last stage is the decline stage in which the product would actually start losing its market share because of the intense competition and diseconomies of scale. The company might need new investment, technological advancement or regeneration of the product in order to survive from this stage otherwise with the current features; it would be very difficult for the product to survive the immense competitive environment in the local and international markets.