

Good essay on what
role do the product
life cycle,
competition, and
perceptions o...

[Business](#), [Customers](#)



Video Discussion

The Acid All's suggested retail price is greatly affected by many factors such as product life cycle, competition and the perceptions of quality. The product market of Acid + All is highly saturated and therefore Acid + All is in the mature stage of the product life cycle. The price of the product at the time of the launch was largely determined by the assessment of the price of the competitors and the company prices a product after a careful assessment of the price which is set by the competitors. Competitive pricing involves the set-up of product prices lower than that of the competitors .

Also, the product is targeted mainly at the market segment of baby boomers as according to the company, the baby boomers perceive quality as an important factor while making purchase decisions and therefore tend to invest in premium products that provide them with maximum value for money. The brand has therefore positioned and targeted the product as a premium product that acts as a stress reliever. Since the brand has now established itself as a quality brand among the target consumers, Acid+All has now adopted premium pricing strategy for its products. The consumers associate Acid+All products with higher quality and therefore are ready to pay premium prices for its products. Premium pricing strategy is used in cases when the products are differentiated on the basis of high quality and therefore high prices are set for the products .

The product is at the mature stage of the product life cycle and the brand has been successful among the consumers due to its ability to innovate and provide high quality to the consumers.

Works Cited

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