

# Business



**ASSIGN  
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**BUSINESS PRODUCT LIFE CYCLE** Product life cycle is a business cycle which shows a product sales and profits over its lifetime. It includes five stages: Product Development, Introduction, Growth, Maturity and Decline. (Kotler & Armstrong, 2001)

Source: (Scott, 2007)

1. **PRODUCT DEVELOPMENT:** This is a stage where company finds a new product idea that has to be launched. In this stage company sales and profits are zero but cost is high. (Kotler & Armstrong, 2001)

2. **INTRODUCTION:** It is a stage where the product is launched in the market. This is a very important stage as the product is new in the market and takes time to settle in the market. The sales are lower in the introduction stage and the expenses are very high because there is a lot of marketing expenses through advertising and promotion. Profits are zero or negative due higher expenses to introduce a product to the target audience. (Keegan & Moriarty, 1998)

3. **GROWTH STAGE:** It is a stage of Product Development in which the product starts selling and profits are higher as compared to the initial stage. Sales starts climbing quickly and the expenses are lower because the product has been catered in the minds of the target audience and everyone is familiar with the product. It is stage where company doesn't do any type of marketing and promotion expenses and tries to cover all the expenses that has been done in the Introduction stage. (Kotler & Armstrong, 2001)

4. **MATURITY STAGE:** It is a PLC stage where the product sales slows and eventually becomes zero. It is a stage where the product is matured and the consumers want some new product to be catered to them. Companies apply certain strategies to their product to cater the changing needs of consumers

and try to save their product from going in the decline stage. There are three strategies that managers apply in maturity stage: (Keegan & Moriarty, 1998)

i. **Modifying The Market:** It is a strategy in which company tries to modify its target Market by catering to different types of consumers according to their needs. The company can also reposition their product to appeal to different segments of the market. (Keegan & Moriarty, 1998)

ii. **Modifying The Product:** It is a strategy in which the company tries to modify its product by changing their characteristics such as features, quality, packaging or changing the style of a product. By doing this can attract consumers as they will see a different picture of that product. It can also improve product performance as well as reliability. (Keegan & Moriarty, 1998)

iii. **Modifying The Marketing Mix:** It is a strategy in which company changes one or more elements of Marketing Mix such as price, the product packaging, the place of product and etc. It can also do new marketing techniques to appeal their target audience. (Keegan & Moriarty, 1998)

Example: For Example Pepsi Cola has changed its marketing campaign during Football world cup by associating Pepsi with the Football players to attract their consumers. (Perreault & McCarthy, 1996)

Another example for the secondary sector is the Heinz Ketchup when it introduces a variety of ketchups for different consumers and they specially catered to children's by introducing awesome coloured Ketchups (Orange, Green, Blue and etc) to cater different segment. (Kotler & Armstrong, 2001)

5. **DECLINE STAGE:** It is a stage where the company sales decline and eventually the product is dip off in the market. In this stage the company decides whether to maintain, harvest or drop each of the declining products.

(Perreault & McCarthy, 1996)

CONCLUSION: Companies should try to be innovative and they should apply the strategies to save their product from going in the decline stage because no product last forever it has a certain maturity and upon that companies should try to modify their product so that it will appeal to the target audience.

#### Works Cited

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