Brands cannot be expected to last forever

Business, Marketing

It is not possible to clearly predict the average life period of a brand as in the case of products like car or mobile phone. The ability of the brand to capture the market determines the term of its survival. Several factors play crucial roles in determining the life span of a brand. Raymond Vernon (as cited in Steers & Nardon, 2006, p. 36) has developed a product or brand life cycle theory that clearly illustrates different phases in the life span of a brand, they are; product development, introduction, growth, maturity, and decline.

1. Product development

It is the first phase of a brand life cycle and the company carries out design, production, and research in this phase in order to ensure that the proposed idea would meet customer needs effectively. According to Kotler, Keller, Koshy, and Jha (2009, p. 550), the management team usually conducts some market surveys to identify current market trends. Subsequently, the company makes further modifications to the product in light of obtained market responses.

2. Introduction

During this phase, the designed product is introduced into the market under a certain brand name. As it is a new brand in the market, consumers may not have adequate knowledge about it. Hence, marketers launch some public campaigns to promote the specific features of the products and thereby to popularize the brand.

3. Growth

During this phase, the branded product would build its foundation in the market. The launched public campaigns and promotional techniques would begin to show its outcomes. However, the company still works with its advertising efforts so as to expand the brand image in the market.

4. Maturity

The branded product would have maximum market shares and have reached its peak of sales. In the opinion of Kotler et al (2009, p. 304), during the maturity phase, growth gradually begins to slow down. The term of the maturity phase may vary from product to product according to the value of the brand image.

5. Decline

According to Meissner (2010), in the decline phase, brand awareness would be high even though sales are on the decline. Price falls, weakness in competitiveness and emergence of a rival would be other common characteristic features of this phase.

Every brand passes through each of these five phases; the only difference would be regarding the term of phases. Since the beginning of business history, it has been observed that every brand dies out after a certain period of time.