**Product Life Cycle**

Development: In this initial stage, the idea for the product is developed and tested to see if it will work. During the development stage, businesses spend money but have no money coming in because there are no sales.

Introduction: This is when the product is launched and sales begin. It can involve a lot of expenditure on promotion and publicity. Here, a business needs to convince distributors they should stock their new product. This can be risky for them.

Growth: This is experienced when the product starts to sell faster. People buy more of it and it is becoming successful. A business may need to find more outlets at this stage.

Maturity: Here, sales begin to slow down. This may be due to a competitor launching a similar product or customers wanting something new. A business may want to consider introducing different versions of the product to keep sales up.

Decline: Sales start to fall. Should a business try and boost sales by spending more on marketing, or should the product be taken off the market?

For the following products, try and decide which stage of the cycle they are at:

Sony Walkman, Apple iPad, Cadbury’s Crispello, Vinyl Records, Google Contact Lenses

If possible, a business will want to stop sales falling and avoid the decline phase of the life cycle. The extension strategies a business can use to stop sales falling and avoid the decline phase of the product life cycle are:

* Cutting the price to make the product better value for money
* Spending more on advertising to make the product more popular
* Trying to get more people to buy the product (e.g. Shampoo twice a day)
* Try to get people to buy the product on more occasions (Xmas Turkey)
* Trying to find new customers (e.g. selling abroad)

Explain the different methods you could use:

* To get people to buy sun screen more often
* To get people to buy tooth floss more often
* To buy older versions of the iPhone
* To gain customers for a roast dinner ready meal
* To promote your range of school shoes

Explain your advantages, describing why you have reached each conclusion.