Product Life Cycle

Introduction

Launched
Sales slow
Money spent promoting

Growth

Sales increase
Word spreads
Profits increase
Competitors appear

Maturity

Sales growth slows
Product bought by many
Strong Competition

Saturation

Sales slow further
Business might cut prices
Introduce new and improved model

Decline

Sales fall permanently
More advanced products introduced
Product eventually withdrawn

Extending a Product's Life Cycle

Product

New and improved version

Extras such as power steering, allots added to cars

Price

Dropping price during saturation stage
Attract budget conscious customers

Dropping the price of iPone 4 before iPhone 5 launch

Promotion

Promoting in a different way
Repositioning it

Lucozade drink for sick people but now Promoted as a sports drink

Place

Distributing in a new way
Online
Shopping Channel

Movies - cinema, DVD, pay movie channel