

What are the stages of the Product Lifecycle (in order)?

Development

Introduction

Growth

Maturity

Decline



Describe sales in the Introduction stage of the Product Lifecycle?

If the product's launch is successful, sales are **increasing steadily**.





Describe sales in the Growth stage of the Product Lifecycle?


Sales in the growth stage are **increasing rapidly.**





Describe sales in the Decline stage of the Product Lifecycle?

Sales in the decline stage are
falling rapidly.




Describe sales in the Maturity stage of the Product Lifecycle?

Sales in the maturity stage will reach their **peak**.



What is Product Differentiation?

Something a business does to make its products stand out from others on the market.





What is an Extension Strategy?

Something a business does in order to increase the life span of a product.



Give an example of an Extension Strategy...

Advertising

Price change

Adding value

New markets

New packaging



When do businesses consider Extension Strategies?

During the maturity stage of the Product
Lifecycle



How can businesses achieve Product Differentiation?

Establish a strong brand image


Getting the **design mix** right

Offering improved location

Offer additional product features/functions

Improve the design/appearance of the product

Getting their selling price right



At what stage of the Product
Lifecycle is Product
Differentiation considered?

During the development stage



What are the three variables of the Design Mix Model?

Function

Cost


Appearance

What would be an appropriate Extension Strategy for a hotel?

Adding value - give extras away with each
room (welcome pack etc.)

Advertising

Price changes



What would not be an appropriate
Extension Strategy for a hotel?

New packaging





What are the three categories of
External Factors on Product
Development?

Technological

Economic

Legal



A new law is passed to ban the use of a chemical within children's toys.
What type of factor is this?

Legal

A new law is passed to ban the use of a chemical within children's toys. What impact will this have on a toy manufacturer?

May have to change the materials they use and may have to change the way they produce their toy products. This will cost.



What are the four main stages
of a the Business Cycle?


Decline, Recession, Growth,
Boom





How does a recession impact on businesses developing new products?

Recession means less people are in work and they're more hesitant when spending. Businesses won't want to develop new products if they're trying to survive.



How does an economic boom impact on businesses developing new products?

A boom means the business is likely to make more sales. They might, however, struggle to meet the demand for their existing products, so developing new products may not be possible