



Marketing Management Strategies for different Phases of Product Life Cycle

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Abstract: *In this era of competition every company has different marketing strategies for their products. Every company comes with a unique marketing strategy to counter their competitors and to gain major portion of the market. Products too have a life span like a person. Products too take births, grow, mature and demolish. The stages of introduction growth, maturity and decline called the life cycle of a product. Every company wants their products to have a long life cycle so they can enjoy profits for a long period of time but in the era of rapid technological change it is difficult for companies to make survival of their products. They have to adopt different marketing strategies to survive in different phases of product life cycle. The understanding of product life cycle and marketing strategies can help an organization to understand and realize when it is time to launch and withdraw a product from market. Thus, the purpose of this paper is to understudy the product life cycle and its marketing management strategies. Finally, the study shows that the value of Marketing strategies and when products move through their life cycle process, different marketing management strategies are developed and applied as appropriate.*

Key words: Product life cycle, Marketing Strategies, Introduction, Growth, Maturity, Decline.

Introduction: Life cycle of a Product reflects the time period from the development of a product to its introduction, getting popularity in market (Growth), saturation in sales (Maturity) and getting replaced by new product or getting out of the market (Decline Stage). It is used as a marketing management to create strategies for marketing of a product. Several factors affect a product life on each phases of its life cycle. In the era of competition success of business depends on invincible strategies. Strategies have a great role in the marketing business. A firm's competitiveness is increases through effective product and marketing strategy which involves production of a variety of products and successfully marketing them. In this research Paper I have tries to outline the issues relating to the product life cycle as well as Marketing Management Strategies as applied in each stage of product life cycle.

Objective of the study:

- 1.To get knowledge about product and product life
- 2.To review the different phases of the product life cycle
- 3.To understand different kinds marketing strategies that is needed to implement in different phases of product life cycle.

Literature Review

L Michelle Grantham (1997) Suggests that the efficacy of one particular marketing tool, the product life cycle model, has been questioned, by various writers in the academic and business press, with regard to the general applicability and validity of its assertions and the claim it makes to be able to predict the marketing strategies that should be applied at different stages of a product's life.

Jim Riley (2012) describes the stages a product goes through from when it was first thought of until it finally is removed from the market. Not all products reach this final stage. Some continue to grow and others rise and fall. A branded good can enjoy continuous growth, such as Microsoft, because the product is being constantly improved and advertised, and maintains a strong brand loyalty.

What is Product and Product Life?

Basically, a product is that the object of the exchange process, the factor that the producer or provider offers at a possible client in exchange for one thing which the provider thinks as equivalent or of larger value. The Product is a crucial part of the marketing combine. A product is something that may be offered to a market to satisfy a wish or would like. It includes goods, services, experiences, events, persons, place, properties, organizations, info and concepts. Schewe and Smitch (1980:224) recognized the traditional swollen approaches to process a product. Under the normal approach, a product is seen because the entire bundle of utility that's offered by a vendor to the market place. This bundle contains a possible for satisfaction that comes partly from a tangible, objective feature of the Product. Satisfaction is additionally derived from the intangible, subjective options of a product. Nwokoye (1981:95) sees a product as a bundle of physical and psychological satisfaction that a purchaser receives from a procurement. This includes not solely the tangible object, however conjointly such confirmative parts as packaging convenience of purchase, post purchase services et al that buyer's price. New product may cause sales growth or stability, increase profits control, cut back risk through diversity, supply differential advantages, improve distribution and reply to consumer wants. Those product that final users purchase for his or her final consumption area unit referred to as shopper product, whereas those bought for selling or for manufacturing alternative things supposed for sales area unit industrial product.

Product Life- The definition of product life is context dependent moreover as user-dependent, E.g., for a customer the Product life is that the amount of your time that she/he uses it(e.g. from getting till it's disposed of). In distinction to the present, the Product life is often longer for the manufacturing company; it starts with the ideas of a product and concludes with the top of the production with the top of the service amount for the product (Sendler2009).

The Product Life Cycle

The product life cycle is the process a product goes through when it is first introduced into the market until it declines or is removed from the market. When a product enters the market, it goes through various stages from introduction to growth, maturity and eventual decline. The sequence of stages is known as product life cycle. It is used to predict a likely shape of sales growth for a typical product.

Stages of Product Life Cycle

Product life cycle comprises of the following four stages –

- Introduction or innovation
- Growth
- Maturity
- Decline

Introduction Stage

The product is introduced in the market in this stage; it is the initial stage of the product.

- Sales of the product are low in this stage because there may not be a need of the product in the market.
- The product may undergo brand trouble.
- In this stage, there is very little or no profit.
- The demand for the product is created and developed in this stage.

After this initial stage, the next stage of the product is the growth stage.

Growth Stage

In this stage, the demands and market share increases as well as competition emerges in the market.

- Generally, the price remains constant in this stage.
- Marketing and promotional expenses increase.

- There is rapid increase in sales.
- The manufacturing cost decreases so there is increase in profit margin.
- It penetrates other market segment.

In the growth stage, there is a boom in the demand of the product and the profit increases substantially.

Maturity Stage

The price of the product is comparatively low, but the advertisement and promotion cost increases in this stage.

- This stage remains for a comparatively longer duration.
- In this stage, there is high competition.
- Profit is decreased.
- Sales growth can be divided into the following three categories in the maturity stage –
 - Growth
 - Stability
 - Decay

In growth, there is an increase in the demand of the product. In stability, the demand of the product remains constant. In decay, there is a slight decrease in the demand.

Decline Stage

There is a decrease in sales in this stage. Demand of product also decreases.

- There is decrease in the price of the product.
- Margins are lowered.
- There is introduction of new product in market.
- New strategies are implemented.

This is the final stage of the product. There is a decrease in demand and sales of the product.

Marketing strategies that is needed to implement in different phases of product life cycle.

The product life cycle contains four distinct stages: introduction, growth, maturity and decline. every stage is related to changes within the product's selling position. company can use varied marketing strategies in every stage to do to extend the life cycle of company's products.

Introduction strategies

Strategies employed in introduction stages include:

rapid skimming - launching the product at a high value and high promotional level

slow skimming - launching the merchandise at a high value and low promotional level

rapid penetration - launching the merchandise at an occasional value with important promotion

slow penetration - launching the merchandise at an occasional value and token promotion

During the introduction stage, company's objectives should be to establish a transparent complete identity connect with the proper partners to market his product set up shopper tests, or offer samples or trials to key target markets price the product or service as high as they will be able to sell it, and to replicate the standard level you're providing You could additionally try and limit the merchandise or service to a particular variety of shopper - being selective will boost demand. scan a lot of regarding the introduction stage of a product life cycle.

Growth Strategies

Strategies employed in the growth stage mainly aim to extend profits.

- a number of the common methods to do are:
- improving product quality
- adding new product options or support services to grow your market share
- enter new markets segments
- keep valuation as high as is cheap to stay demand and profits high

- increase distribution channels to address growing demand
- shifting selling messages from product awareness to product preference
- skimming product costs if your profits square measure too low.

Maturity Strategies

When sales is on peak, the product can enter the maturity stage. This usually means that market are saturated and you will realize that you just ought to modification your selling techniques to prolong the life cycle of your product. Common methods which will facilitate throughout this stage fall into one amongst two categories:

market modification - this includes getting into new market segments, redefining target markets, winning over competitor's customers, changing non-users

product modification - as an example, adjusting or rising your product's options, quality, valuation and differentiating it from alternative merchandise within the marking

Decline Strategies

During the last stages of product life cycle, company will see declining sales and profits. this could be caused by changes in shopper preferences, technological advances and alternatives on the market. At this stage, company will decide to:

- reduce promotional expenditure on the product
- reduce the amount of distribution shops that sell them
- implement value cuts to urge the purchasers to shop for the merchandise
- find another use for the product
- maintain the product sales and look ahead to competitors to withdraw from the market First
- harvest the product or service before discontinuing it.

Conclusion

Every product undergo the various life cycle stages of development, introduction, growth, maturity, and decline. A product life cycle could most recent for a few days or continue for years. once a company recognizes that a product has gone into decline or isn't performing additionally because it ought to, it's to say no what to do. Organizations got to verify the life cycle to line performance goals, like sales and profit, growth targets, and create resources allocation call, such as strategic and human resource designing. To improve successful product throughout every of its part of its life cycle, a corporation should perceive however promoting management works for client, market and competitors.

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