U2.12 - Print & Cut Flashcards

Cut along the card edges. Each card shows the question on top and the answer underneath.

CARD 1

What is the product lifecycle?

The pattern a product may follow from development until it eventually loses demand.

CARD 2

What are the four main stages of the product lifecycle?

Development, Growth, Saturation and Decline.

CARD 3

What usually happens during Development?

The product is created, tested or prepared for launch; sales are very low, costs and risk can be high, and profitability may be low or negative.

CARD 4

What usually happens during Growth?

Awareness, demand and sales rise; profits may increase, distribution may expand and more competitors may enter.

CARD 5

What usually happens during Saturation?

Sales growth slows or levels off, market growth weakens, competition is strong and businesses work harder to protect market share.

CARD 6

What usually happens during Decline?

Customer interest, demand, sales and profits may fall as tastes change or newer alternatives replace the product.

CARD 7

What is an extension strategy?

An action used to keep a product selling for longer and delay its movement into decline.

CARD 8

Give four examples of extension strategies.

Examples include new features, refreshed packaging, new promotions, a new market segment, price changes or entering a new country.

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CARD 9

What are two limitations of the product lifecycle?

Products do not all follow the same pattern and the exact stage can be difficult to identify. External factors can also change the cycle.