

# PRODUCT LIFE CYCLE

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# The Product Life Cycle (PLC) has Five Stages

## 1) *Product development*

- Begins when the company develops a new- product idea
- Sales are zero
- Investment costs are high
- Profits are negative



## 2) *Introduction*

- Low sales
- High cost per customer acquired
- Negative profits
- Little competition



### 3) *Growth*

- Rapidly rising sales
- Average cost per customer
- Rising profits
- Growing competitor.



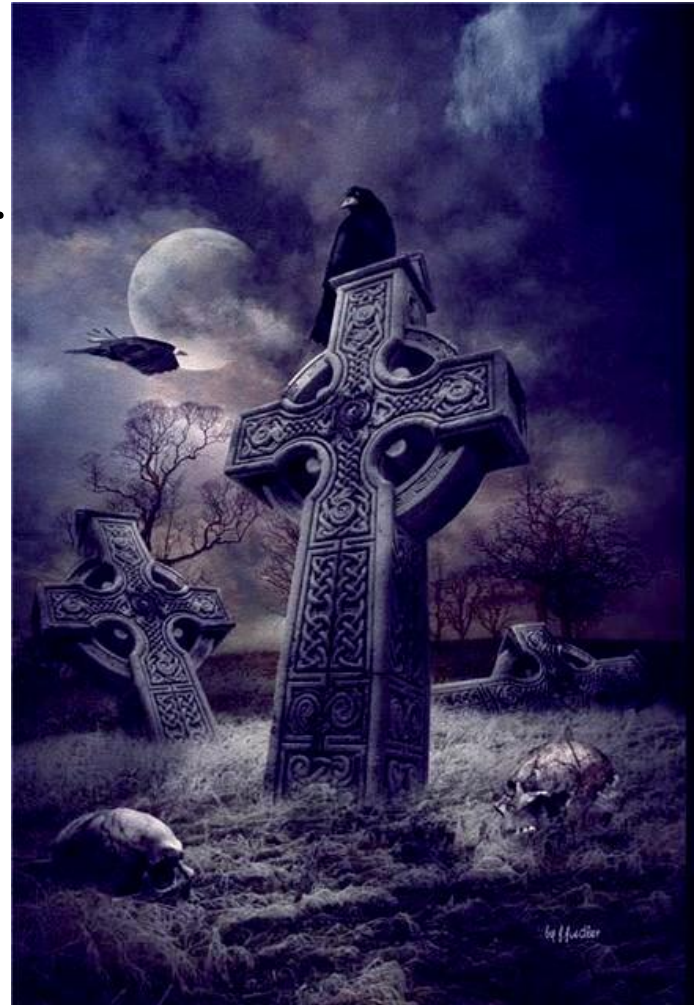
#### 4) *Maturity*

- Sales peak
- Low cost per customer
- High profits
- Competition begins to decline

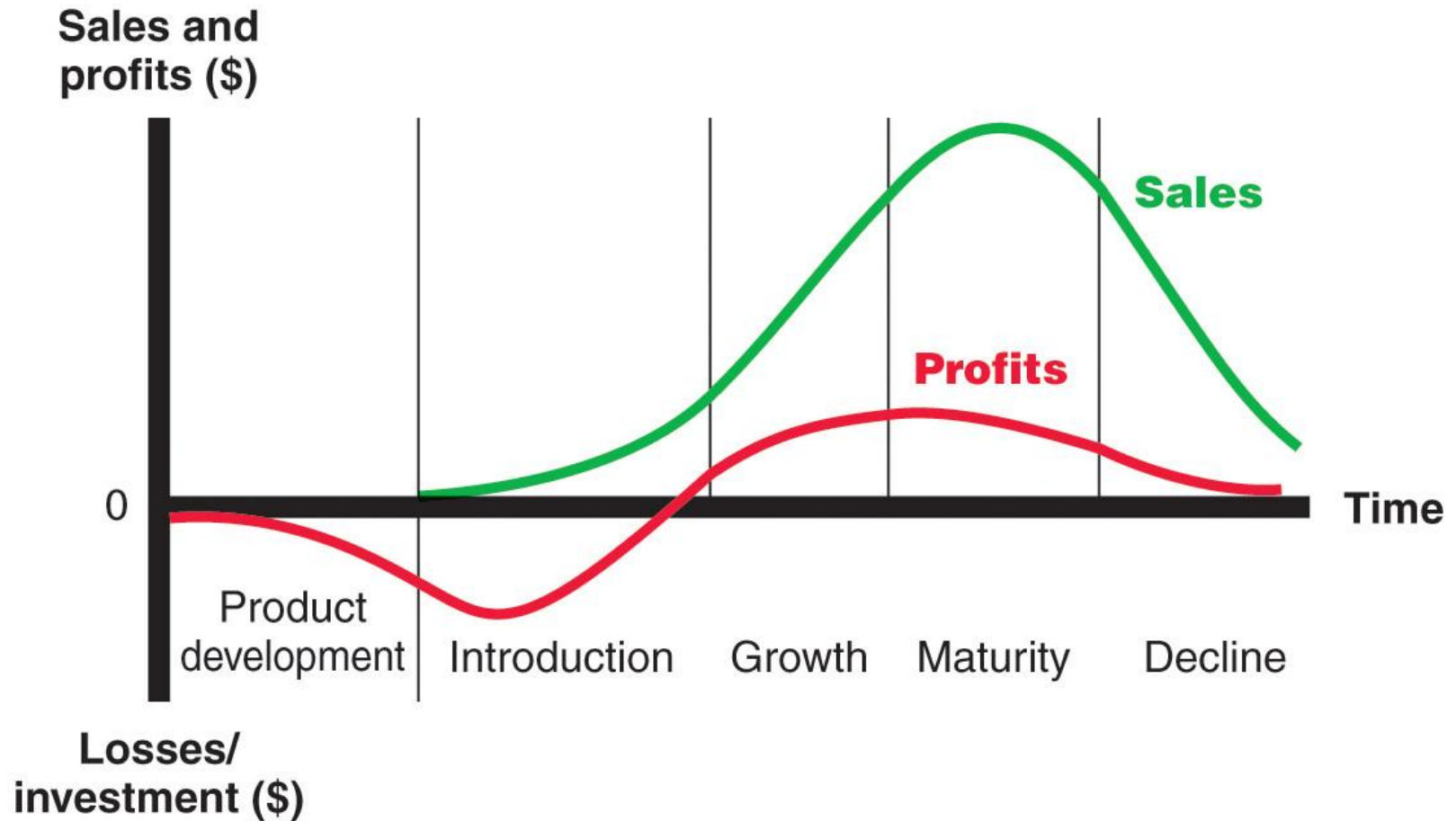


## 5) *Decline*

- Declining sales
- Low cost per customer
- Declining profits
- Declining competition



# Product Life-Cycle Stages

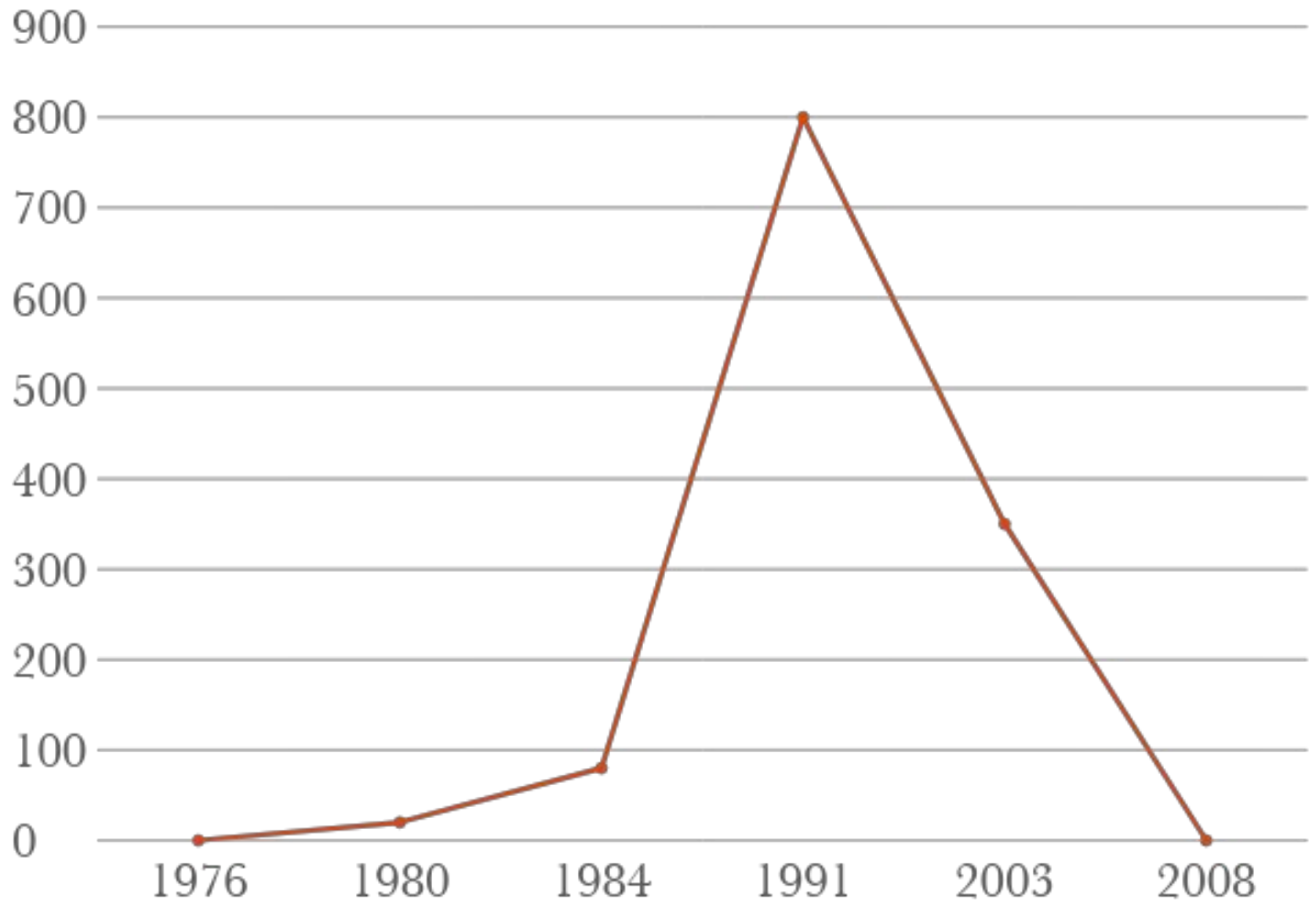


# VHS life cycle

- **Development of VHS 1974**
- **Introduction of VHS 1976**
- **Growth of VHS 1976-1990**
- **Maturity of VHS 1990**
- **Decline of VHS 1991-2008**



# The schedule of sales VHS



Thank you....

Any Question ?