Product (Service) Lifecycle

Every product or service goes through a specific lifecycle. The lifecycle management is on the key task of the marketing and sales management. Model shown below describes the relationship between the volume of sales and profit from the product. The model defines five stages of the product life:

- **Development stage** - the product is being developed, it is not in the market yet, there are only costs (i.e. the profit is negative)
- **Introduction phase** - the product is placed in the market, the sales slowly grow up, the profit is still negative
- **Growth stage** - the profit comes into positive figures
- **Maturity stage** - the sales continue to grow but profit begins to decline (falling price)
- **Decline stage** - the sales and profit decline gradually

In a relation to the lifecycle management, it is used a term **Product Lifecycle Management (PLM)**.

Related terms and methods:

- Ansoff Matrix
- BCG Matrix (Boston matrix)
- Deming Cycle (PDCA Cycle)
- ITIL (Information Technology Infrastructure Library)
- Market
- Marketing Mix 4P
- Market Segmentation
- Marketing Strategy
- Positioning
- Profit
- Targeting

Related management fields:

- Marketing and Sales
- Production Management
- Service Management