

# Extending The Life of a Product

Key to Symbols/Buttons Used in this Presentation



Hyperlink(s)



Back button



Forward button

# Why Extend the Life of a Product?

- There may be a number of reasons why a business will look to extend the life of a product rather than withdraw it:

## COST

Developing a product can cost many thousands of pounds, so businesses will try to maximise the revenue they bring in

## TIME

Product development takes time, so if a new product is not ready existing products may need to have their life extended

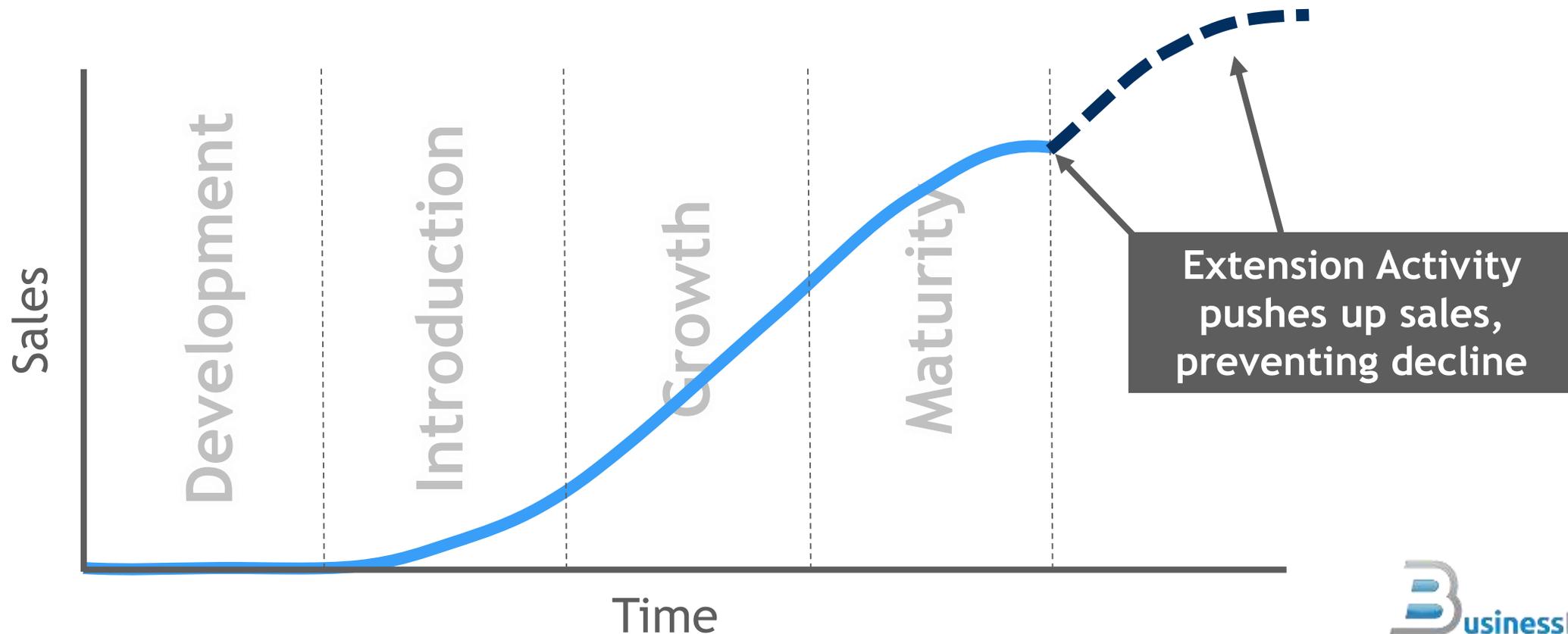


## REPUTATION

Withdrawing a product, especially a flop, can damage the reputation of a business, so it may instead look to extend the products life

# When To Extend A Product's Life?

- A business can carry out activities designed to extend the life of a product at any point
  - However, usually they will be carried out just before a product goes into decline:



# How Can A Product's Life Be Extended?

- There are a number of methods that can be used to try and extend the life of a product:



# Advertising

- Running a new advertising campaign can help a business to:



Attract new customers who have not yet tried the product

Remind previous customers that the product is still available

Encourage existing customers to buy more of the product



# Changing The Price

- As a product matures, competitors will have had the time to produce similar “copy-cat” products
  - This means that there will be increased competition, and more choice for customers
- To overcome this, the price of a product is often reduced in order to:
  - Encourage existing customers to continue to purchase
  - Tempt new customers to buy instead of purchasing competing products



# Adding Value

- Changing the product in order to add more value can also encourage customers to buy more of a product
- This can be done in a number of ways, e.g.:



**Adding New Varieties/Flavours**



**Adding New Features**



**Adding New Pack Sizes**



# Exploring New Markets

- If a business can't find more customers in existing markets, then it could look to find new markets for its products
  - This can mean two very different things:



Finding a new physical market, for example, a country that the product isn't currently sold in



Finding a new target market, made up of customers who don't currently buy the product



# New Packaging

- New packaging can give a fresh new look, and encourage:
  - New customers to try the product
  - Attract old customers back to the product



Old Packaging



New Packaging



