

Age of product should determine market strategy

A product's life cycle refers to the four stages a new product or service goes through from beginning to end. These four stages are market introduction, market growth, market maturity and market decline.

Generally, product life cycle analysis relates to tracking sales and profit-related activity that occurs within a given industry rather than specific firms. This is because sales and profits generated by individual products or services do not follow a typical pattern and may, in fact, move in opposite directions when compared to industry activity as a whole.

For example, a photocopy item in-

troduced during its industry's market growth stage may never generate any sales and suffer a quick death.

Conversely, an improved product introduced during market maturity may boost industry sales enough to extend its product life cycle for several months.

MARKET INTRODUCTION represents the time when a brand-new product or service is being offered to potential customers.

"Because potential buyers are unaware of the product and are not looking for it during this stage, money is being invested in hope of future sales and profits."



focus: small business

Mary DiPaolo

There are no other competitors during this stage, leaving managers free to choose which customer groups they want to reach through promotion, distribution and price-related strategies.

Promotional activities are focused on providing information to let po-

spective buyers know what the product or service is, what it can do and what needs it satisfies.

DURING MARKET growth, industry sales are growing as more and more customers buy. This stage may last from just a few days to sev-

eral years, depending on the product and whether it can be easily copied or improved.

As competitors start entering the market, product variety and availability increase, as does the need to review promotional and price-related strategies. Many companies make the mistake of spending more money on promotion without changing their message to include persuasive appeals.

They may also begin cutting prices, which often causes firms to lose money during this otherwise profitable industry stage.

It is important to note that profits do not necessarily go to the product

inventor. Progressive business owners and managers are well aware of the attractiveness of the market growth stage and are constantly seeking ways to adapt to the needs of current and potential customers as an ongoing activity.

Next week, we will review some of the tactics used to take advantage of both the market maturity and market decline stages of an industry's product life cycle.

Mary DiPaolo is the owner of MarkTrends, a Farmington Hills-based business consulting firm. She is also producer and host of the cable television series, "Chamber Perspectives."

datebook

BIRMINGHAM REALTORS
Thursday, May 4 — Birmingham-Bloomfield Board of Realtors meets in Bloomfield Hills. Information: Erin Osborne, 350-2190.

DIRECT MARKETING
Thursday, May 4 — Direct Marketing Association of Detroit meets in Southfield. Information: 258-8803.

STATISTICAL CONTROL
Friday, May 5 — Seminar on statistical process control offered 8:30 a.m. to 3:30 p.m. in Southfield. Fee: \$245. Information: Sandra Kay, 557-0104. Sponsor: Tomlinson Research.

PROFESSIONAL COMMUNICATORS
Saturday, May 6 — Professional Communicator's Business Conference begins at 8:30 a.m. in Rochester. Information: 370-3120. Fee: \$110. Sponsor: Oakland University.

DEVELOPMENT FOR WOMEN
Saturday, May 6 — "Professional Development for Women" offered 9 a.m. to 4 p.m. in Birmingham. Fee: \$31. Information: 644-5832. Sponsor: The Community House.

BUSINESS SOFTWARE
Saturdays, May 6-27 — Sophisticated business software discussed in hands-on classes 9 a.m. to 12:30 p.m. in Rochester. Fee: \$115. Information: 370-3120. Sponsor: Oakland University division of continuing education.

UNIVERSITY WOMEN
Saturday-Sunday, May 6-7 — "Choices for Tomorrow's Women" is theme of annual meeting of American Association of University Women in Detroit. Information: Lynne Altrich, 577-2230.

GRE WORKSHOP
Saturdays, May 6 through June 10 — Graduate Management Admissions Test Examination workshops offered 9 a.m. to 12:30 p.m. in Rochester. Fee: \$150. Information: 370-3120. Sponsor: Oakland University.

REAL ESTATE ROUNDTABLE
Monday, May 8 — Real Estate Roundtable meets in Farmington Hills. Information: 25561 W. 12 Mile, Southfield Suite 207.

WOMEN IN SALES
Tuesday, May 9 — Professional Women in Sales meets at 6 p.m. in Bloomfield Hills. Information: 473-2253.

FRENCH CHAMBER
Tuesday, May 9 — French-American Chamber of Commerce meets. Information: 964-4000 Ext. 249.

BUSINESS COMMUNICATORS
Wednesday, May 10 — International Association of Business Communicators meets. Information: Nancy Skidmore, 546-5490.

FINANCIAL PLANNING
Wednesday, May 10 — Free seminar about financial planning certificate program begins at 7:30 p.m. in Rochester. Information: 370-3120. Sponsor: Oakland University.

REAL ESTATE WOMEN
Wednesday, May 10 — Commercial Real Estate Women Inc. meets in Southfield. Non-member fee: \$20. Information: Vicki Dallas, 652-6560.

BUSINESS COMMUNICATORS
Wednesday, May 10 — International Association of Business Communicators meets in Detroit. Information: Nancy Skidmore, 546-5490.

BUILDING OWNERS
Thursday, May 11 — Building Owners and Managers Association meets in Southfield. Information: 964-4000.

UNDERSTAND YOUR BOSS
Thursday, May 11 — "Understanding Your Boss" offered 7-10 p.m. in Birmingham. Fee: \$18. Information: 644-5832. Sponsor: The Community House.

BASIC INVESTING
Thursday, May 11 — Free semi-

nar on basic investing techniques and financial planning begins at 8 p.m. in Rochester. Information: 656-4326. Sponsor: Merrill Lynch.

MEDICAL LAWSUITS
Thursday, May 11 — Seminar for nurses on minimizing chances of being sued begins at 9 a.m. in Southfield. Information: 540-4310. Sponsor: Dykema Gossett.

PPST WORKSHOPS
Saturday, May 13, 20 — Pre-Professional Skills Test workshops offered in Rochester. Fee: \$95. Information: 370-3120. Sponsor: Oakland University.

MARKETING ASSOCIATION
Tuesday, May 16 — American Marketing Association meets in Southfield. Information: Kay Bonnici, 569-7095.

APPRAISERS SOCIETY
Tuesday, May 16 — American Society of Appraisers meets in Southfield. Information: John Allico, 645-6716.

OAKLAND CHAMBER
Tuesday, May 16 — Oakland County Chamber of Commerce meets 5:30-7:30 p.m. in Southfield. Non-member fee: \$10. Information: 644-1229.

LSAT WORKSHOPS
Tuesdays and Thursdays, May 16 through June 1 — Law School Admissions Test preparation workshops offered 6:30-9:30 p.m. in Rochester. Fee: \$165. Information: 370-3120. Sponsor: Oakland University.

SUPERVISION BASICS
Tuesday, Thursday, May 16, 18 — "Fundamentals of Supervision II" offered 9 a.m. to 4 p.m. in Auburn Hills. Fee: \$245. Information: Emily Sherwood, 1-800-358-2299. Sponsor: World Computer Corp.

WIVES AND MONEY
Monday, May 17 — "A Financial Survival Plan for Wives" offered 7:30-9:30 p.m. in Birmingham. Fee: \$12. Information: 644-5832. Sponsor: The Community House.

CONSTRUCTION FINANCES
Thursday, May 18 — "Reducing the Cost of Claims Administrations" discussed at meeting of Construction Financial Management Association in Detroit. Information: 491-2500.

ACCOUNTANTS ASSOCIATION
Thursday, May 18 — National Association of Accountants meets in Bloomfield Hills. Information: 652-8797.

TAX-FREE EXCHANGES
Friday, May 19 — "How You Can Profit From Tax-Free Exchanges" offered 8:30 a.m. to noon in Southfield. Fee: \$75. Information: 646-7701. Sponsor: The Dietz Organization.

CPA WEEKEND
Friday-Sunday, May 19-21 — Certified Public Accountant Weekend offering up to 58 continuing professional education credits. Registration fee: \$25. Information: 370-3120. Sponsor: Oakland University.

INVESTING FOR RETIREMENT
Monday, May 22 — "Financial Survival in Retirement" offered 7:30-9:30 p.m. in Birmingham. Fee: \$12. Information: 644-5832. Sponsor: The Community House.

LEADERSHIP STYLES
Wednesday, May 24 — "Effective Styles of Leadership" offered 7-10 p.m. in Farmington Hills. Fee: \$75. Information: 477-8404. Sponsor: The Community Center Farmington-Farmington Hills.

BUSINESS RELOCATION
Thursday, May 25 — "The Moving

File: Relocating Your Company" offered 6-11 a.m. in Southfield. Fee: \$20. Information: 358-3909.

Sponsors: Bruland, Reiss, Murphy & Remblea Inc., Contract Interiors, SunTel Services Inc., Dobson Moving and Storage Inc.

COMMUNICATIONS TECHNOLOGY
Wednesday, May 31 — "Communications Technology — the Competitive Advantage" offered 10 a.m. to

Give Mom the Best Money Can Buy!

Cubic Zirconia Stud Pierced Earrings
14 kt Gold

1 ct tw \$39⁹⁵ SAVE \$50
2 ct tw \$79⁹⁵ SAVE \$40

enlarged to show detail

Perfect copies set in 14K gold.

20% - 75% OFF REPLICA WATCHES

MAJESTIC COUNTERFEIT JEWELS
244 E. MAPLE 540-3338
BEVERLY HILLS • BIRMINGHAM • LONG BEACH

Custom-built.



Introducing Lifetime Services. Financial programs that you design.

The best kind of financial program is one that's custom-built for you. Not someone else. And that's what our new Lifetime Services™ programs are: custom banking plans where you select and combine a variety of interest-earning accounts to suit your specific needs. You may receive a checking account free of monthly service charges, a single monthly statement listing all your accounts, and more. Discover Lifetime Services, only from Michigan National Bank. Custom-build your program today by visiting any Michigan National branch. For more information phone 1-800-CALL-MNB.



We're doing what it takes.

Advertiser: MNB

DON'T MISS the 1989 GREATER LIVONIA EXPO

Schoolcraft College
18600 Haggerty

Show Preview Party

Tuesday, May 9
5:00 p.m.-9:00 p.m.
Physical Education Building,
Schoolcraft College,
18600 Haggerty

Come experience a "Taste of Livonia" as some of Livonia's finest food and dessert establishments present their specialties to you.

Tickets on sale for \$15/ticket if purchasing 20 or more tickets, price is reduced to \$10/ticket.

Wine Tasting Party

(EXPO CONNECTION - no separate price)
Thursday, May 11
6:30 p.m.-7:30 p.m.
Physical Education Building,
Schoolcraft College

By the Wine Casino in Livonia, a treat for all fine wine connoisseurs.

Free admission

Chamber Luncheon

Wednesday, May 10
12:00 p.m.
Waterman Center,
Schoolcraft College

Guest Speaker: Edward McIlennan, Wayne County Executive

Investment: \$10