

Episode 81: What is the Product Life Cycle? Part I

Product Life Cycles (or Product Life Cycle Management) is a key technique in product management. Over the next 2 episodes we are going to explore what it is and its five stages.

Note: in this episode, “product” is used in the widest term – it could mean services or solution.

What is PLCM and why should you care?

Like humans or animals, products have lives and we need to think about their whole life.

Like animals, a product life journey is birth, growth, maturity, decline and finally death.

In business we call this the Product Life Cycle and like most things it needs managing.

Lack of management will cause the product to die early or badly – both to be avoided. Other implications include:

- The acceptance that products have a limited life
- All products pass through these phases but not necessarily at the same speed
- That resource strategies are needed at each life cycle stage

Learning to manage your product through these stages is critical to maximize return - failure will reduce the ROI.

Many good products fail after a good launch because no one nurtured it.

Maybe you can name a product that was killed off to soon because of bad support.

Both of these are examples of a failure of Product Life Cycle Management.

Stage 1: Birth

Birth of a product is not necessarily the full-scale launch onto the market - costs are high and the returns are low.

Stage 1 is the time for your early adopters who will need to understand your value proposition.

Depending on your product, these early adopters may be less price sensitive.

In some markets you may have to give product away to get the first few users.

Whatever your strategy, you need customers using the products and proof-points. These will become your references.

Stage 2: Growth

This stage is often called the ‘early majority’ phase and you start to ramp up.

You need to reach out beyond the obvious first customers and create demand.

With this publicity will come competition and so you need to get your differentiation clear.

Use your early customers and the proof of the value with the new customers.

As more customers use your product, costs should reduce and profit should rise.

Bottom line: Learning and using Product Life Cycles Management is key to not only getting value for your investments, but to maximize the opportunities you have.

