

3 Life cycle and segments – Part 2

Name: _____ Class: _____ Date: _____

Vocabulary

Write each word three times.

English	Write it 3 times (English)
introduction	_____
growth	_____
maturity	_____
decline	_____
Market segmenta- tion	_____

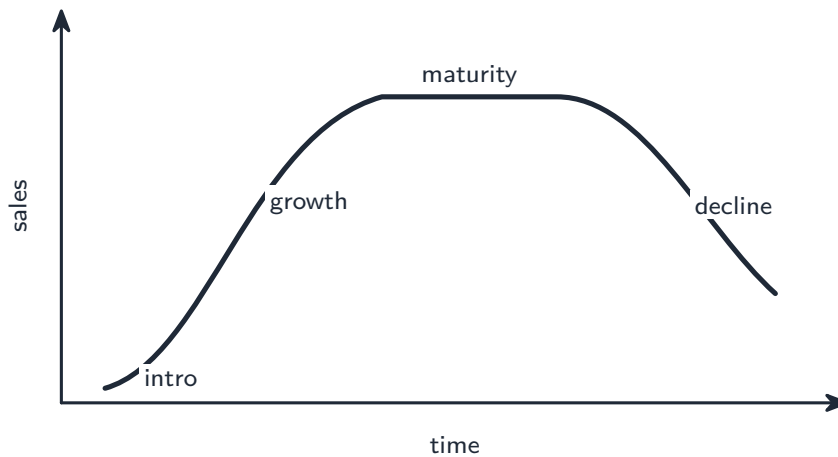
Recall

A product passes through stages over time, and a market can be split into groups.

New ideas

Read these first, then do the Practice.

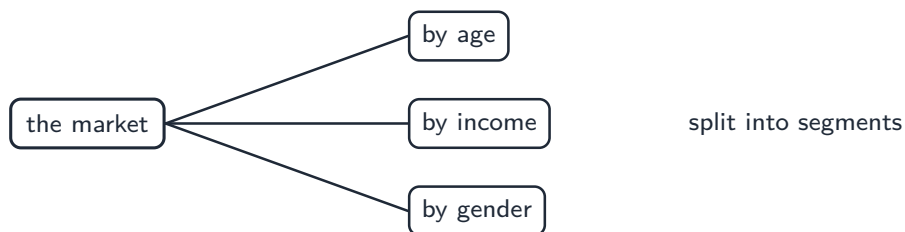
■ 1 The product life cycle



- **introduction** – the product launches; sales are low;
- **growth** – sales rise fast;
- **maturity** – sales level off;
- **decline** – sales fall.

■ 2 Market segments

Market segmentation splits customers into groups (e.g. by age or income), so a business can target them:



Watch out: the product life cycle runs **introduction** → **growth** → **maturity** → **decline** – sales are low, then rise fast, level off, then fall. **Market segmentation** splits customers into groups (by age, income...) so they can be targeted.

Practice

Try these in order.

3.6 Name the four stages of the product life cycle.

[2]

3.7 In which stage do sales rise the fastest? [1]

3.8 What happens to sales in the decline stage? [1]

3.9 What is *market segmentation*? [1]

3.10 Give one way a market can be segmented. [1]

3.11 Challenge. A product's sales have levelled off and started to fall. Name the two life-cycle stages this describes, and suggest one thing the business could do to boost sales. [3]