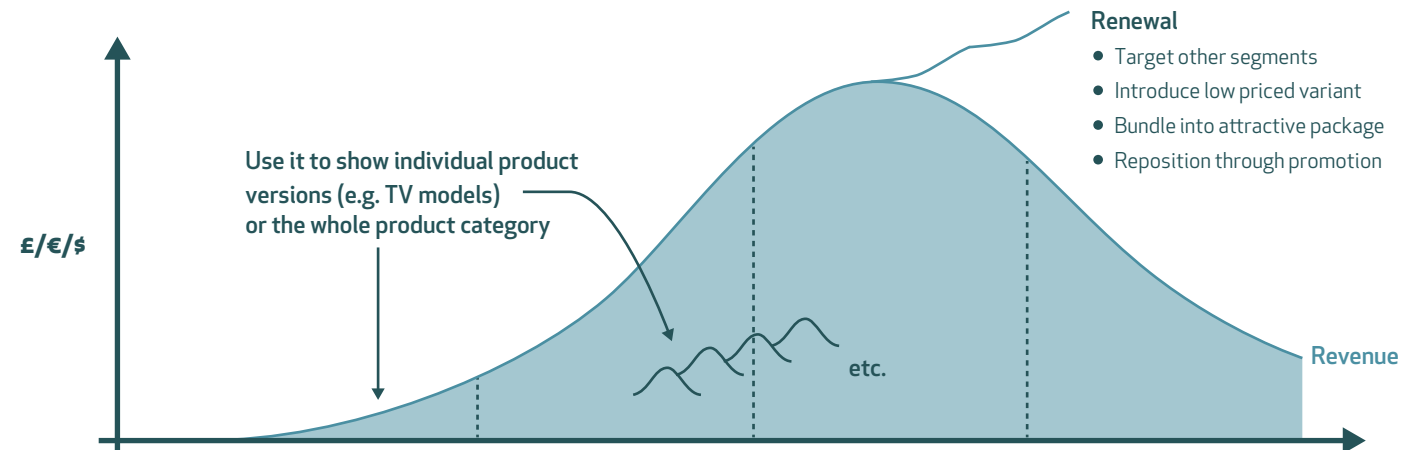# Product Lifecycles

- There are many different activities and dates to consider at different stages of product lifecycles - these are shown in the 4 examples below. Another view is shown in our Product Management Lifecycle infographic.
- We use a 'bell-curve' to show changes in revenue levels. Most products will not have this idealized curve. Also, other metrics, such as adoption rates, may be more important for you.

Classic Product Lifecycle

£/€/$

Renewal
- Target other segments
- Introduce low priced variant
- Bundle into attractive package
- Reposition through promotion

Use it to show individual product versions (e.g. TV models) or the whole product category

etc.

Revenue

Time

	Introduction	Growth	Maturity	Decline
Marketing	Build awareness	Rapidly grow sales	Loyalty & renewal	'Milk' or divest
Competition	Not much	Growing strong	Shake-out	Reducing
Product	Basic	More options	Incremental adds	Bug fixes only
Price	Skim or penetrate	Hold steady	Fall or maintain	May increase (support)
Promotion	Education	Broaden	Aggressive then less	Existing customers only

Lean Product Lifecycle

£/€/$

Optimum product

Profits

Revenue

Costs

MVP (Minimum Viable Product)

Prototype
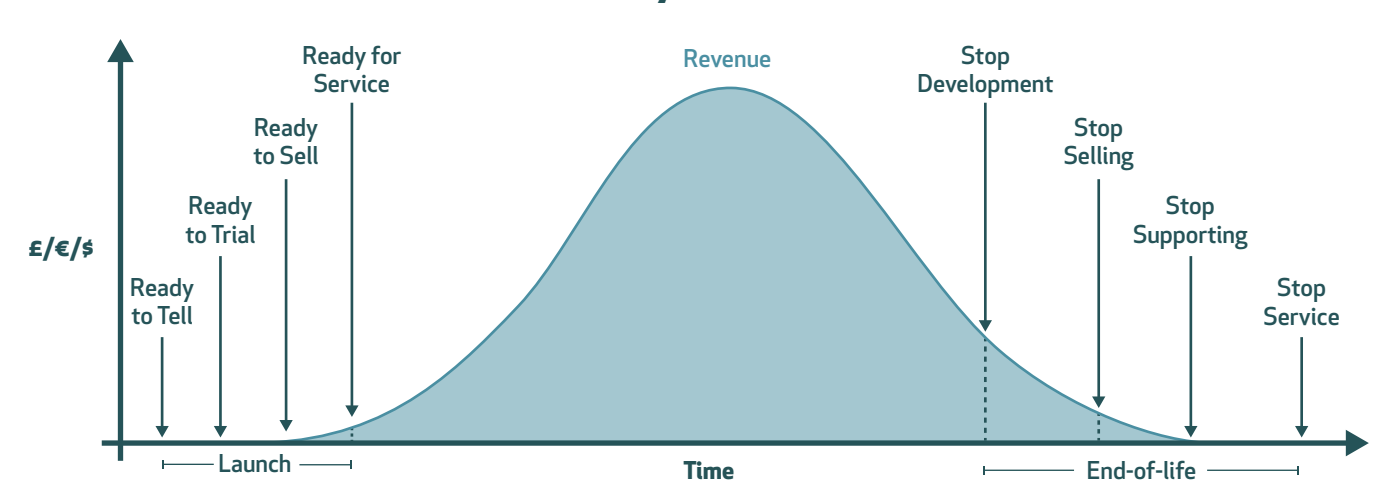
Iterations / Releases

Time
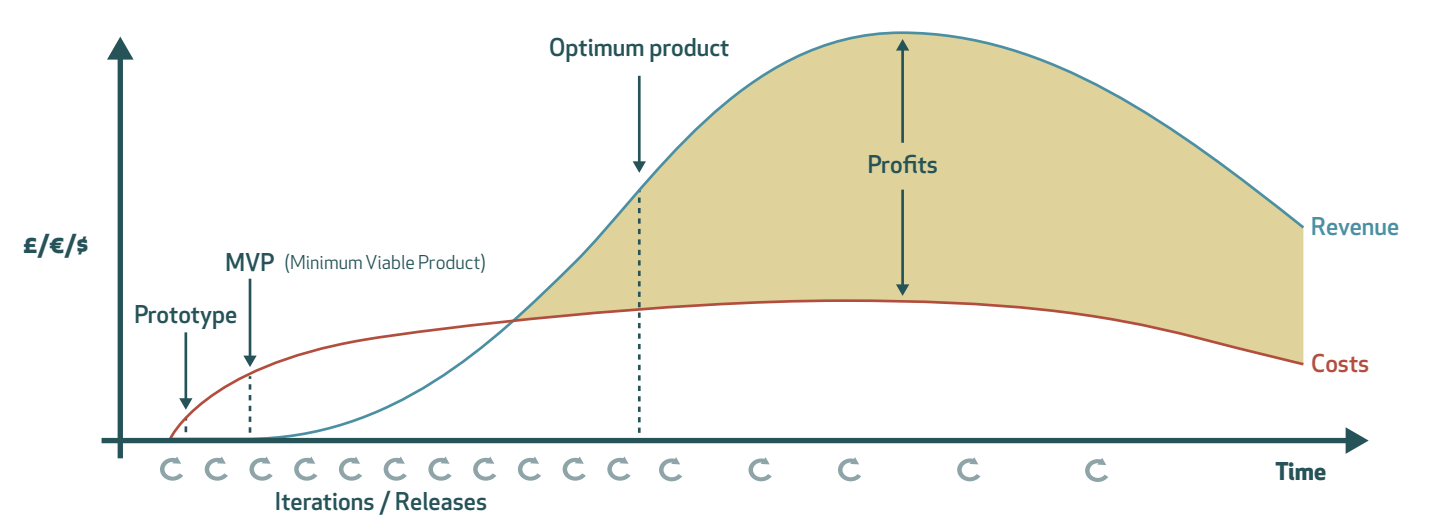
- An MVP (Minimum Viable Product) comes from the Lean development approach for software products.
- It means getting a product with limited functionality into the market quickly. The product has to be valuable to customers so they will buy it. This allows you to get feedback and develop further versions until you get to the Optimum product.
- The Optimum product is your view of the product (at the time you present your business case) that will deliver the best outcome for your organization after a roadmap of releases has been delivered. It's likely that your view of what is optimum will change over time.

Financial Product Lifecycle

£/€/$

Payback period

Revenue

Launch

Break-even point

Costs

Development starts

Investment starts

Time
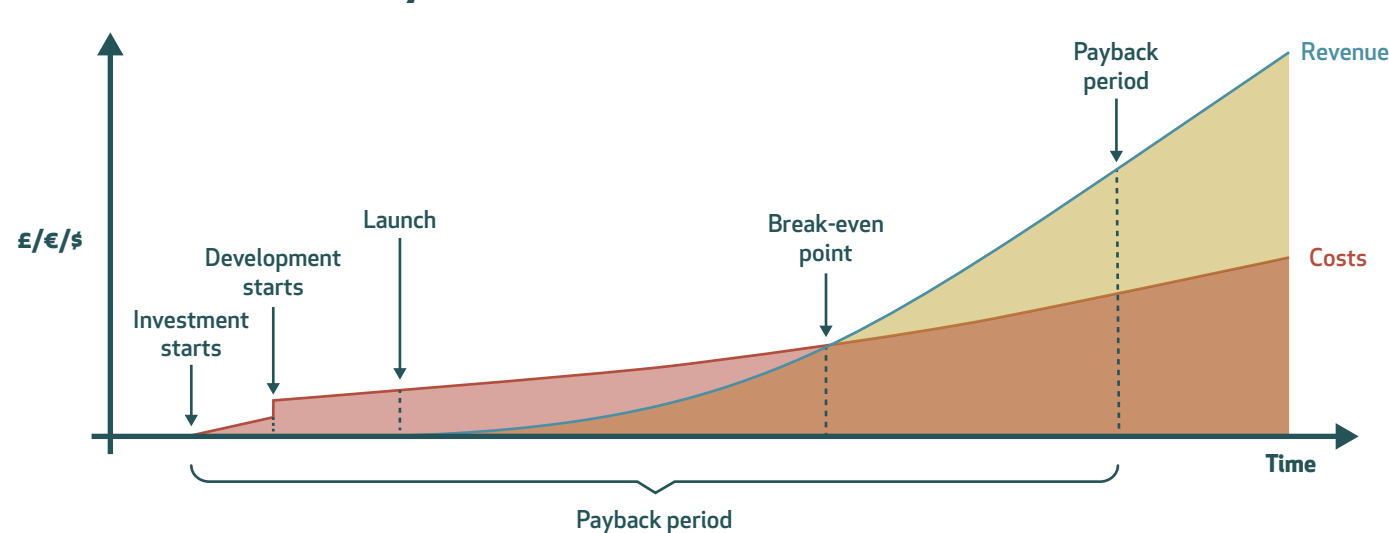
Payback period

- The Break-even point is the point where the revenue coming in is equal to the costs in a specific month or quarter. It does not take into account any previous investment.
- The Payback period shows how long it takes for a product to pay back all the investment and running costs so far. From that point on you're making a clear profit. This is often used as a key measure in business cases – if the Payback period is too long the business case is not approved.

Launch and End-of-life Product Lifecycle

£/€/$

Ready for Service

Ready to Sell

Ready to Trial

Ready to Tell

Revenue

Stop Development

Stop Selling

Stop Supporting

Stop Service

Launch

Time

End-of-life

- Splitting a product launch or withdrawal into separate stages gives you more control.
- Ready to Tell is the point at which you tell the market you will be launching something in the future. Ready to Trial is asking customers to be trialists. This is followed by Ready to Sell and finally Ready for Service which is when the product can be delivered and used.
- At a product's end-of-life several stages often exist, these are Stop Developing, Stop Selling, Stop Supporting and Stop the Service.
- The stages at the start and end-of-life will be close together for some products, possibly on the same date, while for others, they might be far apart.