



SNS B-SPINE

Coimbatore-35
An Autonomous Institution

DEPARTMENT OF MANAGEMENT STUDIES

19BAE752 - Agriculture Marketing
Management

II YEAR III SEM

UNIT 2

TOPIC – Product lifecycle

The product life cycle in agricultural marketing typically consists of several stages:

- Introduction
- Growth
- Maturity
- Saturation
- Decline



Introduction:

- This is the initial stage where a new agricultural product is introduced to the market.
- It often involves high research and development costs and limited sales.

Growth:

- In this stage, the product gains acceptance in the market, and sales start to increase rapidly.
- Farmers and agribusinesses adopt the new technology or product.

Maturity:

- Sales continue to grow, but at a slower rate.
- The product has achieved widespread adoption, and competition may increase.



Saturation:

- Sales level off as the market becomes saturated with the product.
- The competition intensifies, and price competition may become significant.

Decline:

- At this stage, sales start to decline as newer and more advanced agricultural products or technologies replace the older ones.

Agribusinesses might phase out the product. It's important for agri-marketers to understand these stages to make informed decisions about product development, pricing, promotion, and distribution strategies at each stage of the product life cycle.



HERE WE ARE GOING TO SEE THE PRODUCT LIFECYCLE WITH AN EXAMPLE



- Certainly! Let's consider the product life cycle of a specific dairy product, like yogurt(Different flavour)

Introduction:

- A dairy company launches a new line of flavored Greek yogurt.
- Initially, the product is introduced to the market with limited flavors and packaging options.
- Only a small group of health-conscious consumers adopt it.

Growth:

- As more consumers become aware of the health benefits and taste of Greek yogurt, the product's popularity starts to grow.
- The company expands its flavor offerings and distribution channels, making it more widely available.



Maturity:

- The Greek yogurt market matures as the product becomes a staple in many households.
- Various brands now offer a wide range of flavors, sizes, and packaging options. Price competition may increase.

Saturation:

- The market for Greek yogurt becomes saturated, with many competitors and product choices available.
- Sales growth stabilizes, and there's a focus on brand loyalty and quality to maintain market share.

Decline:

- Over time, consumer preferences shift, and new dairy products or health trends emerge.
- Greek yogurt sales start to decline as consumers explore other dairy or non-dairy alternatives, and the company may consider discontinuing or diversifying its product line.

This example illustrates how the product life cycle applies to a dairy product like yogurt, with stages from introduction to decline reflecting changes in consumer demand and market dynamics over time..

The product lifecycle is crucial in business and marketing because it provides a structured framework for understanding and managing a product's journey from introduction to decline. Its importance lies in:

1. **Strategic Decision-Making:** Helps businesses make informed decisions about product development, pricing, marketing, and resource allocation at each stage.
2. **Resource Management:** Aids in efficient allocation of resources, such as investments, inventory, and marketing budgets.
3. **Market Adaptation:** Allows companies to adapt to changing market conditions and consumer preferences by tailoring strategies to each stage.



4. Competitive Advantage: Provides opportunities to differentiate products and stay ahead of competitors.
5. Sustainability: Promotes sustainable practices by considering a product's environmental impact throughout its lifecycle.
6. Long-Term Planning: Facilitates long-term business planning and innovation, ensuring a consistent flow of products to consumers.

In summary, the product lifecycle is a valuable tool for businesses to navigate the complexities of product management and maintain competitiveness in the market.