Integration of Life Cycle Concepts
- Product Life Cycle
- Technology Adoption Life Cycle
- BCG Growth-Share Matrix
The Product Life Cycle (PLC)

- Introduction
- Growth
- Maturity
- Decline

Sales Revenue/period vs. Time
The Technology Adoption Life Cycle (TALC)

- **Technophiles**
- **Visionaries**
- **Pragmatists**
- **Conservatives**
- **Laggards**

Sales from New Adopters/period

Time

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The TALC and PLC Superimposed

PLC – Total Sales

TALC - Sales from New Adopters/ period

Time
Boston Consulting Group: Growth Share Matrix

*Market Growth Rate*  
<table>
<thead>
<tr>
<th>High</th>
<th>Low</th>
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<td></td>
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<tr>
<td>High</td>
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*Relative Market Share*

<table>
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<th>High</th>
<th>Low</th>
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- **Stars**
- **Question Marks**
- **Cash Cows**
- **Dogs**

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Growth Share Matrix: Question Marks

- Low Share, High Growth Markets
- Requires cash & commitment
- What should be done?
- Match with organization’s distinctive competences?
- Obtain the resources
- Build these into stars or phase out, sell

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Growth Share Matrix: Star

- High Growth, High Share
- Needs heavy investment, Builds market share
- Manage with market ownership
- Eventually become Cash Cows
Growth Share Matrix: Cash Cows

- Low Growth, High Share
- Established, Successful, invest enough to hold market
- Cash Generators
- Harvest to increase short term cash
Growth Share Matrix: 

**Dogs**

- Low Growth, Low Share
- May be self-sustaining
- One organization’s dog could be another’s cash cow
- Discontinue, Divest
Growth Share Matrix and Product Life Cycle

- Introduction
- Growth
- Maturity
- Decline
- Time

Sales Revenue/period

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Introduction

Growth

Maturity

Decline

Time

Sales Revenue/period

To grow at previous rate, business must be taken from competition

Market stops growing
Adopter Behavior over The Product Life Cycle

Range of Major Sales-Driven Effort

Revenue

Range of Initial Business Development for Each Offering

Range of Major Translation Effort

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Business Development Bands over The Product Life Cycle

Revenue

Range of Major Sales-Driven Effort

Conservatives

Pragmatists

Technophiles/Visionaries

Range of Initial Business Development for Each Offering

Range of Major Translation Effort

Time
Business Development Bands over The Product Life Cycle

Range of Initial Business Development for Each Offering

Range of Major Sales-Driven Effort

Range of Major Translation Effort
Business Development Bands over The Product Life Cycle

- Range of Initial Business Development for Each Offering
- Range of Major Sales-Driven Effort
- Range of Major Translation Effort

Revenue vs. Time
Strategic Elements of Market Ownership

- Define
- Evolve
- Collaborate
Strategic Elements of Market Ownership

Define  Evolve  Collaborate

- Define Market Niche
- Work towards domination
- Brand identified as standard
- Competitors note equivalence to such products
Strategic Elements of Market Ownership

- Define
- **Evolve**
- Collaborate

- Continue to evolve offerings
- Keep current definitions of value
- Present these values to consumers
Development of ancillary products by other organizations help owners build the market.

Third parties define their products as compatible with market owner.

Market owner gains insight to other points of view within the market.

Strategic Elements of Market Ownership

Define  Evolve  Collaborate

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Questions?