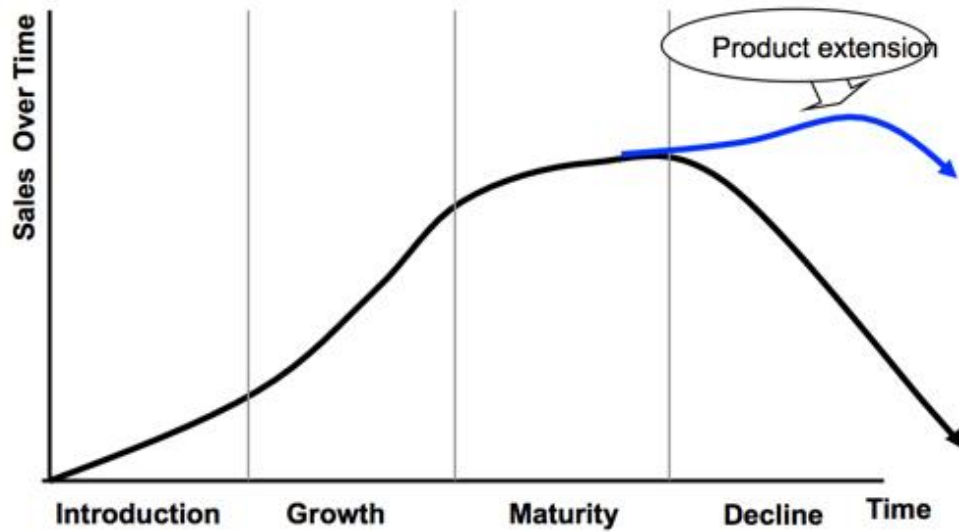


R & D



R & D	Product testing, research all done before a product is sold
Introduction	The “launch” of a product/service. Lots of advertising. Low profits at this stage and a low market share
Growth	Customers are familiar with the product and sales increase. Competitors may enter the market if your business is doing well
Maturity	Sales have reached their peak. New customers have reduced, profits have been made
Decline	Sales begin to fall, customers lose interest. Advertising stops
Product extension	New life is breathed into the product, for example a new price, new advertising campaign, new features and new packaging

Tangible products are physical items that exist in the real world. For example a pint of milk, a teddy bear or some football boots







Intangible products are those that have no physical presence for examples, mobile phone networks, car insurance and broadband



Advantages	Open 24/7, can sell all over the world, no need to have a physical shop
Disadvantages	People can't see or try things, have to wait for delivery, credit card fraud

Ecommerce

<u>Cost plus pricing</u>	Product cost + profit = selling price	Bakeries, car manufacturing
<u>Competitive pricing</u>	Set a price that's similar to a competitor	McDonalds and Burger King
<u>Loss leader</u>	Willing to make a loss on a product	For example selling a disposable BBQ's cheaply when they are next to sausages and burgers
<u>Promotional pricing</u>	Temporarily reduces the price for a limited time	When there is a new flavour of Haribo or a new bar of chocolate
<u>Price skimming</u>	Starts with a high price and gradually lowers it over time	iPhone, games consoles, laptops
<u>Psychological pricing</u>	Sets a price that's attractive to a customer for example £999	99p shop
<u>Penetration pricing</u>	Starting with a low price and gradually increase it	New flavour of Pringles, new shower gel

Leaflets		
	Advantages	Relatively cheap, targeted at a local area, easy to read and good visual impact
	Disadvantages	Often thrown away after one read, can be seen as junk mail, no long term impact
Social media and websites		
	Advantages	Relatively cheap, easy to update, access worldwide, customers can leave feedback
	Disadvantages	Not good at targeting "older people", needs to be monitored daily, can be hacked
Newspapers		
	Advantages	Local newspapers can target a specific area, national papers have a broader reach
	Disadvantages	Can be expensive (national), not targeted, less effective for younger people
Magazines		
	Advantages	Magazines are targeted so can reach specific customers, people tend to keep magazines for a while
	Disadvantages	Costs can vary, magazines have a lot of adverts so yours could get lost.
Radio		
	Advantages	Sound effects can be used, can be produced quickly, cheaper than TV
	Disadvantages	Prime slots (morning/evening), can be background noise so the message can be lost