

*“The market for dressmakers declined when there was increased customer demand for mass-produced fashionable clothing.”*

Your business can't survive long without competitive products and services that customers want to buy. If your business only produces one product or service, sudden changes in the market can mean bankruptcy.

If you don't invest enough in developing your products or services, and you don't take into account the changing needs and demands of customers, competitors could gain a significant lead in the market.

While it's possible to 'rest on your laurels' in a stable market, you should also continue to look ahead and strive to develop or improve products, production and services. Expansion may become desirable at some stage, but it may also be necessary to downgrade operations in certain situations. Both situations bring their own risks.

## Tips

- Your product range should contain products that are at different stages of their lifecycles. Develop new products and services early enough to replace those whose demand is falling.
- You should be familiar with the competition, although don't copy their ideas without carefully assessing them.
- Your product range should be based on sound market research and customer demand, so that it doesn't expand in an uncontrolled way.

## Useful link

QuickMBA – The product life cycle

[www.quickmba.com/marketing/product/lifecycle](http://www.quickmba.com/marketing/product/lifecycle)