

## **EXPLORING THE PRODUCT LIFE CYCLE: A FOCUS ON NOKIA MOBILE**

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**Abstract:** The life cycle of an item is divided into various stages. Any product that has become a top brand may move to the decaling stage. Nokia phones were no exception. The essay will look at the elements that stopped Nokia from prospering in the market and why it failed. Despite having competitors, Nokia was unable to restore its market share, and this article will explain why. The life cycle of an item is divided into various stages. Any product that has become a top brand may move to the decaling stage. Nokia phones were no exception. The essay will look at the elements that stopped Nokia from prospering in the market and why it failed. Despite having competitors, Nokia was unable to restore its market share, and this article will explain why.

**Keywords:** Nokia, Mobile, Product Life Cycle

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### **1. INTRODUCTION**

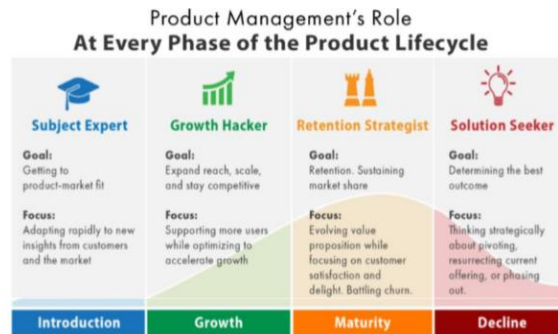
Every year, we tend to store up on a wide range of foods. The once-popular item will gradually become obsolete or less frequent. Consumers are paying attention to complex goods, yet demand is soaring as new releases hit the market. Understanding the Product Life Cycle (PLC), which starts with the shipment of a product and concludes with its removal from the market, is critical in this regard. There will never be a product that reaches the PLC closing stage. Although not all commodities will continue to rise in price, there are a few that will. There are four stages in the product lifestyle circuit. The four stages are introduction, development, maturity, and decline. Managers must tailor their leadership styles to the various issues that each level faces.

#### **Product Life Cycle Concept**

Every part of our existence contains a circle. From birth to adulthood and finally death, there is a natural development. Things, like people, go through stages of existence. They each go through their own distinct path, from launch to decline. The life cycle of a product is divided into four separate phases: launch, expansion, peak performance, and decline. A product's life cycle chronicles its evolution from conception to eventual breakdown. The length of time it takes for a product to complete each step of its life cycle varies by product. One entity's lifespan may be only a few months, whilst another's may be many years. While some products may require years to mature, others may just require a few months. While some items take years to

mature, others only a few months. As a result, the product has an effect on each stage of the process. The decline stage is the period of time required for a product's popularity to progressively diminish from its peak following initial manufacturing.

**Stages of the Product Life Cycle:**



**Stages of the Product Life Cycle**

Stages of the Product Life Cycle. The four major stages of the product life cycle are as follows:-

- Introduction,
- Growth,
- Maturity, and
- Decline.

**Introduction Stage:**

Because the company has only recently entered the market, few potential customers are aware of its existence. It's usually quite expensive. Sales are either low or the product is only available to early adopters. Returns are sometimes modest at best due to the high cost of advertising and the need for developers to recoup their investment. At first, no one knows what the product is.

- The product is new to the Market
- The price is generally high,
- The placement approach is selective, and
- The promotion is informative and more over personalized

**Growth Stage:**

At this moment, more and more people are hearing about and purchasing the goods. Marketing initiatives can improve the reputation of a product and raise brand recognition. Pricing may reduce as a result of new shops entering the market. In the long run, more sales will result in a profit, but advertising expenditures will stay high. As the product enters the growth stage, people are utilizing it and talking about it. Furthermore, the product's sales are increasing.

- The price started to decline with the entry of new competitors,
- The placement network becomes more widely spread, and
- The company is more focused on creating the brand image

**Maturity Stage**

There are now alternatives to the products sold in retailers. Making money and selling items is now easier than ever. The number of commodities can be increased by include both with and scope. Prices fall to their lowest point as competition increases. The goal of advertising is to reinforce the brand in the minds of consumers, making them more likely to make repeat purchases. When you reach the age of majority:

- The product is competing with its alternatives and rivalries,
- The sales are at their top.
- The prices reach to its lowest level
- The placement is intense, and
- The promotion is focused on re- purchasing.

**Decline Stage:**

Sales continue to fall steadily as fewer products become available. The corporation now has fewer competitors because many of its competitors have left the market. We do not foresee any new market entrants. Furthermore, advertising is becoming more economical. The remaining market niches are being prioritized due to the protracted period of relatively steady prices. As the cost of research falls, every product produced has the potential to make a profit.

- The product faces low competition,
- The sales volume decreases,
- The price is likely to diminish,
- The placement is selective, and
- The promotion is focused on market presence.

**2. LITERATURE REVIEW**

- Unk, J. L., in 2004 In this paper, we will apply the product life cycle idea to product line management in two ways: 1) To show the evolution of product line management within a certain industry. Klepper's (1986) concept is similar to the traditional product life cycle model in that both prioritize popular designs and economies of scale. He believed that the new model, which integrated Klepper's product life cycle theory and the notion of product line management, described the increasing degree of competition in the mobile phone sector better
- .The purpose of Mohanty, V., and Mati, K. (2015)'s work was to investigate Nokia. They looked at Nokia's efforts to foresee product life cycles and build solid planning, but the company eventually failed due to the quick pace of technical progress and shifts in consumer demand.
- According to Santavaara I, Paronen N. (2013), conducting an LCA on an information and communication technology (ICT) product requires a deep understanding of life cycle assessment (LCA) and significant business acumen. This study shows that comparing producer ratings is unrealistic based on the principles of Life Cycle Assessment (LCA). Life cycle-based approaches are well-suited to wide policy aims due to

their flexibility, such as identifying the most essential stages of a company's life cycle. These measurements, however, should not be used to evaluate characteristics that influence the level of fair competition among firms or the ease with which they can access particular markets.

### **3. OBJECTIVE OF STUDY**

- To Discuss PLC in detail
- To Explain PLC with reference to Nokia
- To explore the reasons of failure of Nokia in Market
- To find out reasons for Nokia's growth and decline stage

### **RESEARCH METHODOLOGY**

- This is descriptive study
- It is a Review based paper.

### **SOURCE OF DATA**

- Official website of Company
- Research Paper
- Books & Broachers
- Interaction with dealers

### **4. FOUR STAGES OF PRODUCT WITH SPECIAL REFERENCE TO NOKIA**

- **Introduction Stage:** Fredrik Ides tam created the Finnish global firm Nokia in 1865. Nokia began by producing rubber, paper, and cables. This is not widely known. In 1992, Digi introduced the Nokia 1011 GSM portable phone. The firm did not release many new items due to a lack of complexity.
- **Growth Stage:** Fredrik Ides tam created the Finnish global firm Nokia in 1865. Nokia began by producing rubber, paper, and cables. This is not widely known. In 1992, Digi introduced the Nokia 1011 GSM portable phone. The firm did not release many new items due to a lack of complexity..
- **Maturity Stage:** a variety of touch screen models on the market Cell phone prices have dropped. The N-97, the most profitable QWERTY touch model, was released
- **Decline Stage:** Nokia failed to thrive as a result of its overemphasis on Windows as an operating system and its manufacturing of inferior items. This is the current predicament in which Nokia finds itself..

### **Microsoft Nokia Deal:**

- Microsoft paid \$7.2 billion for Nokia's patents and phone firm.
- A \$5 billion deal has been made to acquire Nokia's mobile phone division.
- For an additional \$2.2 billion, you can obtain the right to use Nokia's patents for ten years, with the option of an unlimited extension.

- Microsoft now employs 99,000 workers, with roughly 32,000 joining the business.

#### **Reasons for Selling Its Assets**

- Net Operating loss
- Losing Market Shar

### **5. FINDINGS**

Based on the previously described study and literature assessment, we have identified the following reasons why Nokia has been so unsuccessful in the market and why its reputation has suffered greatly.

#### **DRAWBACKS OF NOKIA:**

- Nokia was reconsidering its decision to continue with Windows as Android became increasingly popular for phones and apps.
- Nokia was slow to adjust when the market changed.
- Indian mobile phone makers have dominated the market due to their inexpensive costs, long battery lives, and lightning-fast processors.
- Despite the emergence of cutting-edge touch screen technologies by competitors, Nokia persisted in providing durable, high-quality phones.
- Nokia was more slower to enter the market than its competitors due to Android's already significant presence in the phone sector.
- Nokia's Windows phones were overshadowed by the rise of Android and iOS..

### **6. CONCLUSION**

Simply, Nokia has failed to match its customers' expectations. Nokia should design a multitude of advertising campaigns and fines on a strategic level. As new competitors entered the market and began to dominate the mobile phone sector, Nokia was reluctant to respond. Nokia must update to a new operating system in order to continue operations. Nokia's collapse was ultimately due to poor product design and a fixation with Windows. This is the current predicament in which Nokia finds itself.

#### **SUGGESTIONS**

- In order to compete with top brands like Xiaomi and Samsung, the company should prioritize advanced technology aspects and innovative struggles. Additionally, the company should enhance its products with numerous attractive characteristics to boost market demand.
- The product needs to be easy to use and meet all the needs of consumers, such as improved storage, pixel density, camera quality, and battery backup. - Nowadays, the mobile industry primarily targets young people, so phone designs should reflect their tastes.
- Do not overlook after-sale services since they are a key component to market success.

#### **SCOPE & LIMITATION:-**

**The study has been taken into the consideration of different papers which were available into the market.**

- Because the nature of the problems faced by all businesses is the same, the solutions offered at the end of the research for common problems may also apply in other parts of the country.
- The research will help identify key aspects of Nokia's market position and product life cycle, hence its scope is wide.

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