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## **PLANNED OBSOLESCENCE OF GOODS**

The days of limited product range, price stability, planned volume of production of goods are gone. At the moment the market of goods and services is balanced. A wide selection of products makes a competition of producers for the consumer. Every company is constantly looking for the answer to the questions: What to produce? How to produce? How much to produce? The effective development of product policy is important, because the product is the result of activity of the enterprise, the source of his income, the basis for the further functioning and development [3, c. 48].

Decisions taken in the framework of product policy should include: the range of commodities produced; the width of the product groups; the volume range of each product; product quality; modification; provision of goods by a trademark; removal from production obsolete products; manufacture new products; standardization; planned obsolescence of the previous product in order to attract the attention of buyers to the goods-novelties; the number of each type of goods produced over a certain period [1, c. 139].

The purpose of planned obsolescence is to hide the real value use of the goods from the consumer and overstatement the prices of the goods more than consumers would be willing to pay. Planned obsolescence was first developed in the 1920-1930s when the practice of industrial mass production was introduced, and every minute of the production process was analyzed. The first victim of planned obsolescence became a common light bulb. In 1924 an international Corporation manufacturers of electrical appliances has secretly limited the life of the lamps to 1,000 hours, instead of 1500-2500 hours.

Today practically all manufacturers use planned obsolescence of goods, in one form or another. The simplest example of planned obsolescence of products is a fashion. The most common this factor is in clothing. Every season designers and fashion mongers are provided by manufacturers with a specific installations, which are later refined and introduced into fashion. Further traditional psychology is switched on and people do not continue to wear actually new things that they bought last year [2, c. 82].

"Bought - threw out - bought again" - this is the ideal scheme from the point of view of business. For example, the technique fails immediately after the warranty period has ended, it breaks at any "successful" case, and its repair is often more expensive than new purchase. Its essence is to design such a system (device), which would be out of order in some time. This creates a wide field for action, and designers use it.

Another kind of planned obsolescence is "featuring". The developers are constantly working on creating new devices, where they add new features that extend functionality. An excellent example of this is mobile technique. This type of technology obsolescence is underpinned by the general development of technology, marketing and advertisement.

Officially, this type of activity - planning of obsolescence, is outlawed and is not practiced by the producers. In fact, it is a common practice that solves a lot of issues. The only way to deal with this phenomenon is to do the market research for checking all the proposals and to buy goods from companies that have good reputation and technical support [4].

## **LITERATURE**

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