



By Ian Rheeder
(60 second Tip of The Month)

GROW YOUR BUSINESS

MARKETING TIP OF MONTH (128 WORDS)

Ansoff Growth Matrix

(Professor Ansoff)

If your MD asked you *how* you were going to grow the business, would you know how to respond?

It's comforting to know that you have a model to help you answer your MD's demands? The below 5-options should *always* be part of your Marketing & Sales Plan as they logically and systematically reminds us to cover all our bases.

5 x Growth Strategies

	Present Products	New Products
Present or Existing Markets	<p>Growth in <u>existing</u> product Markets.</p> <p>Market Penetration.</p> <ol style="list-style-type: none"> Increase market Share (Cross Sell and/or Up Sell) Increase product Usage Increased Frequency used Increased Quantity used Find New Application for current users 	<p>New Product Development</p> <ol style="list-style-type: none"> Add product Features Develop a New-generation product (CDs, flat screen) Develop New products for the Same market
New Markets	<p>New Market Development</p> <ol style="list-style-type: none"> Expand geographically Target new segments 	<p>Diversification</p> <p>involving <u>new</u> products and <u>new</u> markets</p> <ol style="list-style-type: none"> Related Unrelated
<p>Vertical Integration & Mergers/Alliances</p> <p>Forward and/or Backward and/or Horizontal</p>		

Targeting *new* markets with *new* products is called **Diversification**, which is riskier than **Market Penetration**. Cut out the middleman and **Forward Integrate** whilst enjoying a higher GP%. Cut out your supplier, and **Backward Integrate**.

Grow this business! OK?

Existing or New Customers?

Existing or New Products?

New is riskier.

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