



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