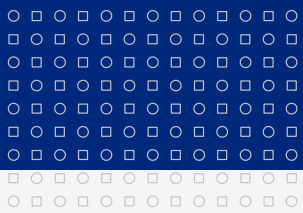




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# Portfolio analysis

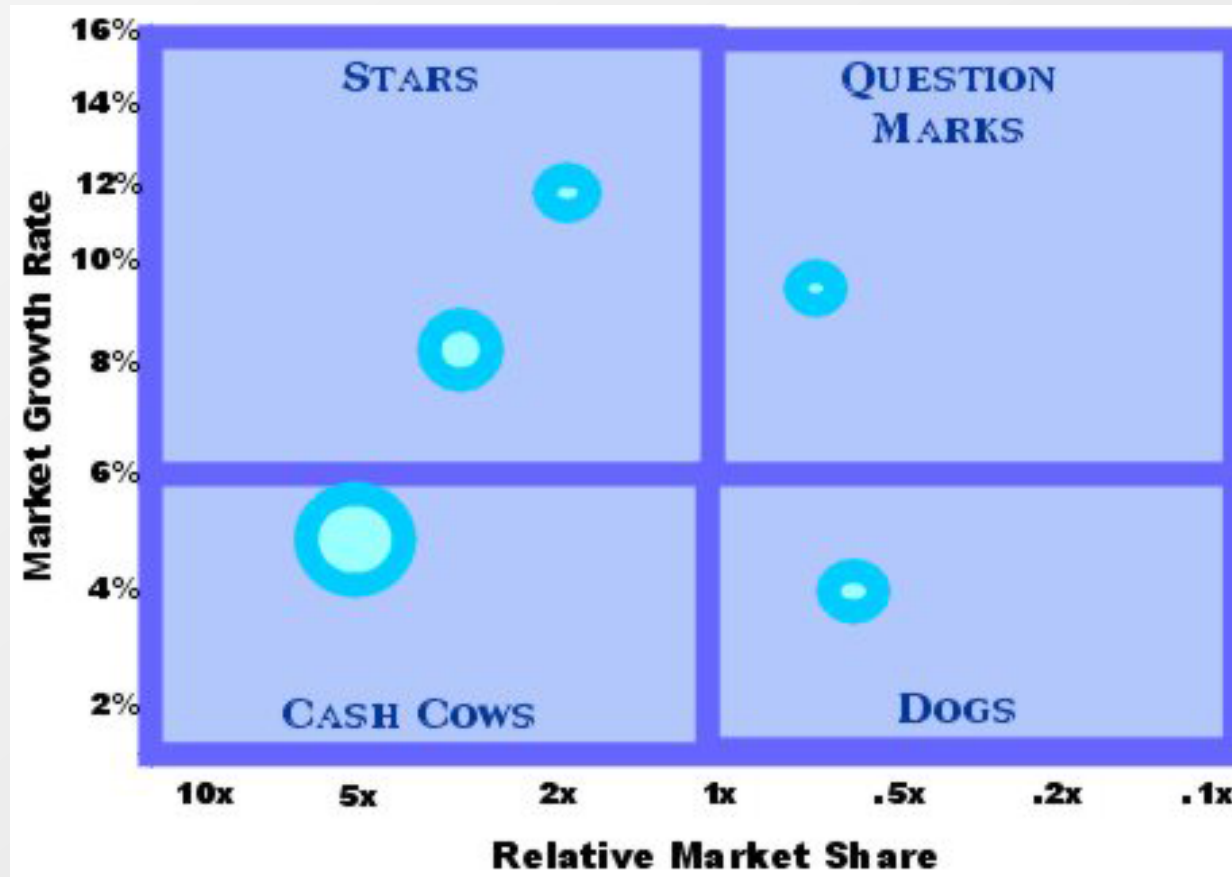
## Chapter 6



# Strategic Business Units (SBU).



# Model BCG



## Model BCG

**BCG matrix** (Boston Consulting Group analysis) is a chart that had been created by Bruce Henderson for the Boston Consulting Group in 1968 to help corporations with analyzing their business units or product lines. This helps the company allocate resources and is used as an analytical tool in brand marketing, product management, strategic management.

## *Cash cows*

**Cash cows** are units with high market share in a slow-growing industry.

## Dogs

***Dogs***, or more charitably called *pets*, are units with low market share in a mature, slow-growing industr

## *Question marks*

***Question marks*** (also known as problem child) are growing rapidly and thus consume large amounts of cash, but because they have low market shares they **do not generate much cash.**

## Stars

***Stars*** are units with a high market share in a fast-growing industry. The hope is that *stars* become the next *cash COWS*.



## Model BCG

*Only a diversified company with a balanced portfolio can use its strengths to truly capitalize on its growth opportunities. The balanced portfolio has:*

- stars whose high share and high growth assure the future;*
- cash cows that supply funds for that future growth; and*
- question marks to be converted into stars with the added funds.*

## Model GE

### Model General Electric

- the Y-Axis comprises *industry attractiveness* measures, such as Market Profitability, Fit with Core Skills etc. and
- the X-Axis comprises *business strength* measures, such as Price, Service Levels etc.

## Model GE

Market attractiveness:

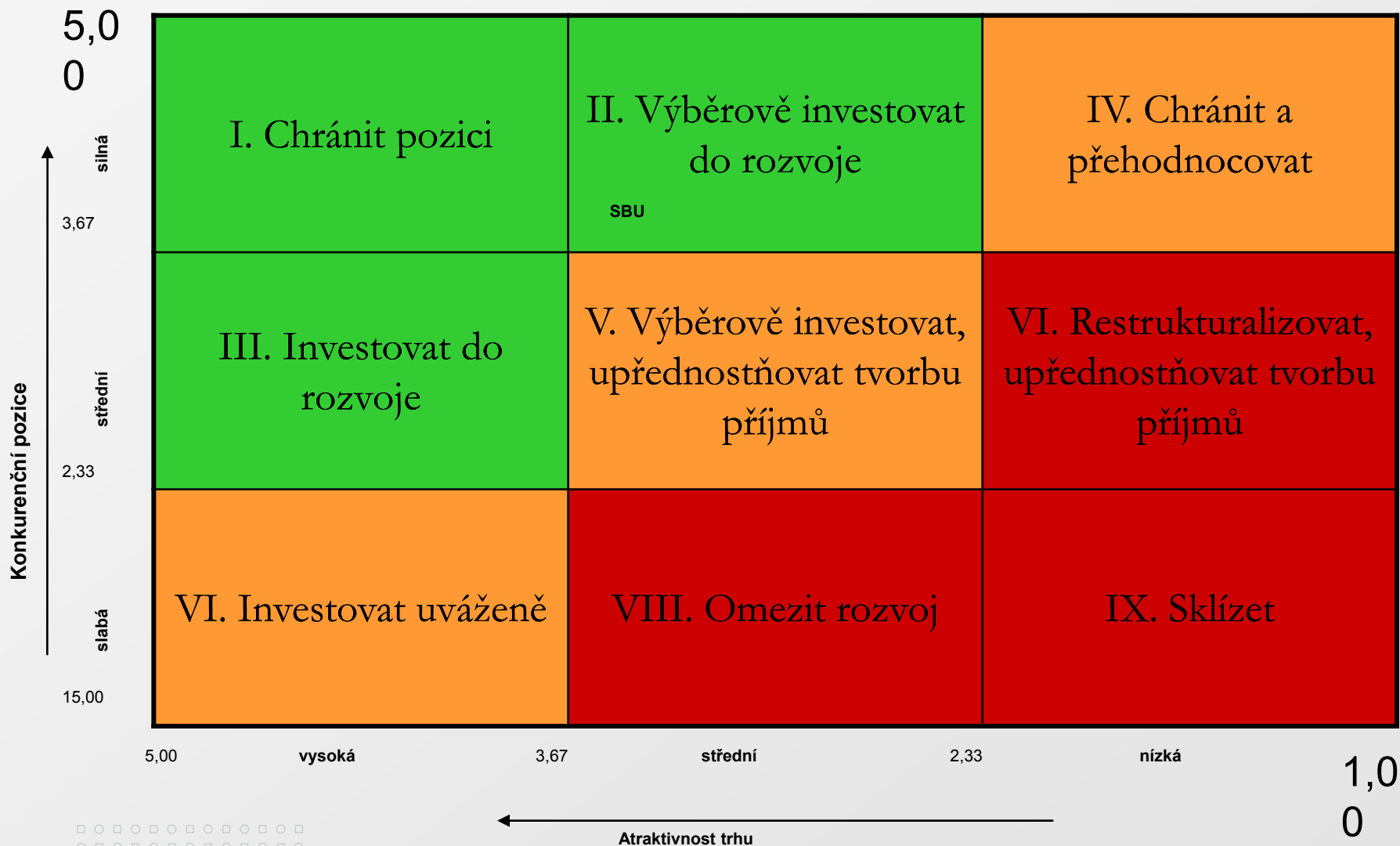
- Size of market.
- Market rate of growth.
- The nature of competition and its diversity.
- Profit margin.
- Impact of technology, the law, and energy efficiency.
- Environmental impact.

## Model GE

### Competitive position:

- Market share.
- Management profile.
- R & D.
- Quality of products and services.
- Branding and promotions success.
- Place (or distribution).
- Efficiency.
- Cost reduction.

# Model GE



# Děkuji za pozornost.

Tento projekt je spolufinancován Evropským sociálním fondem a státním rozpočtem České republiky.



INVESTICE DO ROZVOJE VZDĚLÁVÁNÍ