



Tools For Corporate Planning

- Once a business is armed with a corporate plan it must be implemented

- There are a number of tools available to help them to do this:
 - Ansoff's Matrix
 - Decision Trees
 - Time-Series Analysis
 - Critical Path Analysis

- These must be looked at in turn





Ansoff's Matrix

- Igor Ansoff, in his book “Corporate Strategy” stated that

➤ *“...the main factor that businesses need to identify a competitive advantage.*

To do this the business will need to analyse whether they need to continue with an existing product or whether to develop a new product.”

- Ansoff developed these ideas into a matrix. It is used heavily as a marketing tool, but also has implications for the long-term strategies of a business.



The Matrix

ANSOFF'S MATRIX		
	EXISTING PRODUCTS	NEW PRODUCTS
EXISTING MARKETS	Market Penetration	Product Development
NEW MARKETS	Market Development	Diversification





Ansoff's Matrix Explained

● Market Penetration

- A strategy to increase sales of an existing product in an existing market
- e.g. Kellogg's promoting cornflakes as an "anytime" meal



● Product Development

- Developing a new product to existing consumers
- e.g. Vauxhall introduced the new Astra



● Market Development

- Involves selling existing products to new customers
- e.g. Brylcreem is now designed to appeal to younger users



● Diversification

- Developing a new product to be sold to new consumers
- e.g. Mars launched its ice-cream range.

