BCG Matrix
a marketing planning tool that helps managers plan for a balanced product portfolio

RELATIVE MARKET SHARE
CASH GENERATION

HIGH   LOW

MARKET GROWTH RATE
CASH USAGE

HIGH

LOW
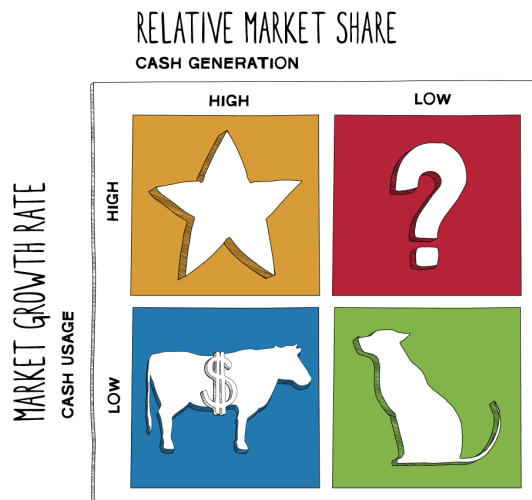
Stars (high and high)
generates high amounts of cash
hoped that stars will eventually turn into cash cows

Dogs (low and low)
the market is stagnant or declining
businesses can use extension strategies to dispose of the dog
too many dogs may lead to liquidity problems

Cash Cows (low and high)
high market share in a low-growth market
mature market and well-established products

Question Marks
inferior marketing or product quality
known as wild cards as unclear if the businesses should invest more

Descriptive Statistics
Mean Median Mode
Bar Charts
Pie Charts
Infographics
Quartiles
Standard Deviation
Evaluation of Descriptive Statistics

Simple Linear Regression
scatter plot with a best-fit line
         can be positive, negative, or not have a correlation

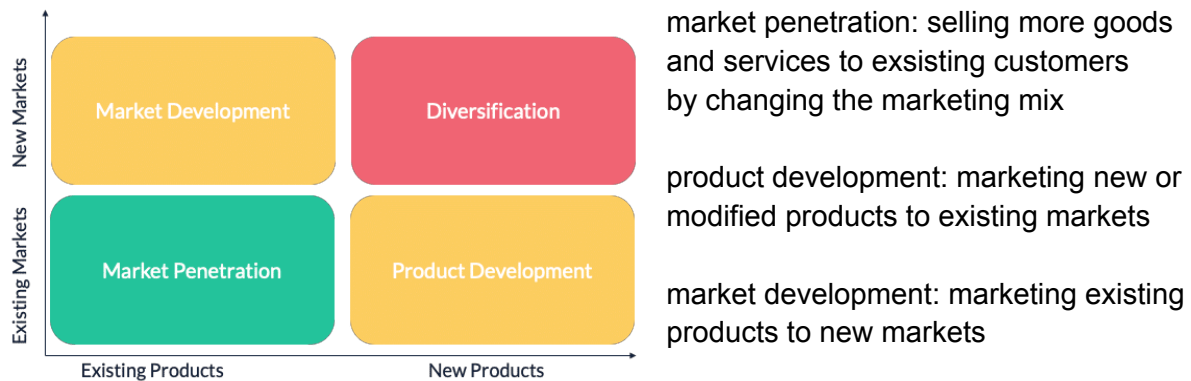*trend line* underlying patterns of growth or decline that are forecasted
Moving Average Calculations:
eg. Three-Year MA: add the past, current, and future values and average them out.
         this makes large fluctuations less extreme and makes the line more accurate to use

Ansoff's Matrix
a planning tool to understand growth potential, set objectives, and consider risk

market penetration: selling more goods and services to exsisting customers by changing the marketing mix

product development: marketing new or modified products to existing markets

market development: marketing existing products to new markets

diversification: selling new products to new markets

business plan a written document outlining the goals of a business and how the business plans to achieve this

it states:
the aims, objectives, mission, and values of the business
action plan
financial documents
market research
the marketing mix and strategies
production of the good or service

Decision Tree
a quantitative decision-making tool to calculate the value of a decision numerically

constructed from left to right
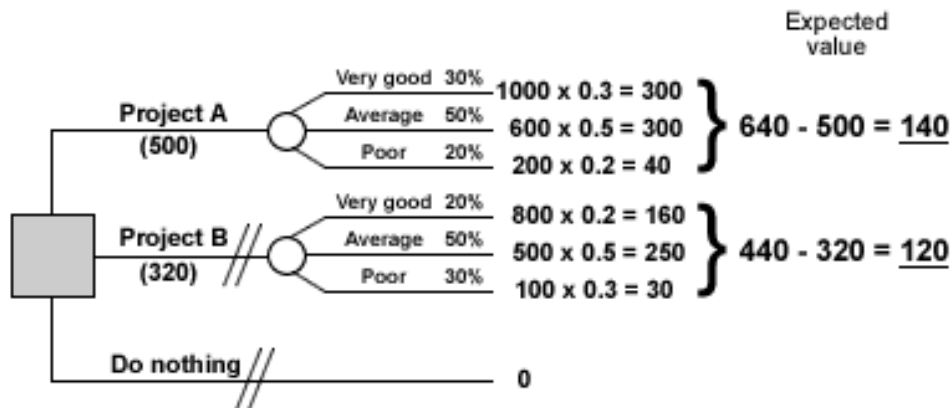calculations made from right to left

squares: decision points
lines coming out of squares to represent options
circles: chance or probability nodes
lines coming out of circles represent various outcomes

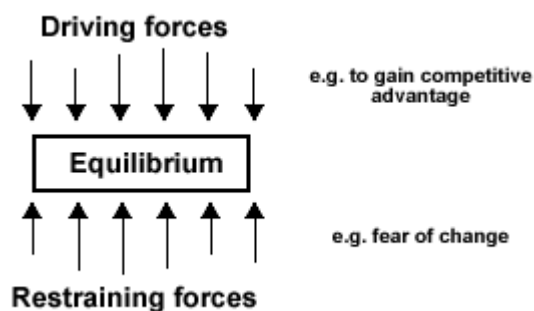two parallel lines show rejected options

Expected value

Project A (500)
Very good 30% — 1000 x 0.3 = 300
Average 50% — 600 x 0.5 = 300
Poor 20% — 200 x 0.2 = 40
} 640 - 500 = __140__

Project B (320)
Very good 20% — 800 x 0.2 = 160
Average 50% — 500 x 0.5 = 250
Poor 30% — 100 x 0.3 = 30
} 440 - 320 = __120__

Do nothing — 0

benefits

- reveals alternative courses of action
- objective and logical decision making
- visual
- reliable
- risks considered

drawbacks

- not all factors can be given numerical values
- probabilities are estimates
- qualitative factors ignored

Force Field Analysis

Driving forces
e.g. to gain competitive advantage

Equilibrium

Restraining forces
e.g. fear of change

a framework to look at forces influence a situation (driving – promotes change – or restraining – hinders change –)
quantitative tool based on qualitative data

the strength of the force:
    length of the arrow
    weight attached to the arrow

examined by totaling the weights for each force

benefits

- careful decision making
- work out the chance of success of the change
- analyse the worth of the change

drawbacks

- weights can be added subjectively
- not all relevant forces may be considered
- does not solve the problems of change management

Gantt Chart

visual tool that represents a project's schedule to enable managers to schedule and complete projects on time

tasks on one side
start date and end date
percentage completed
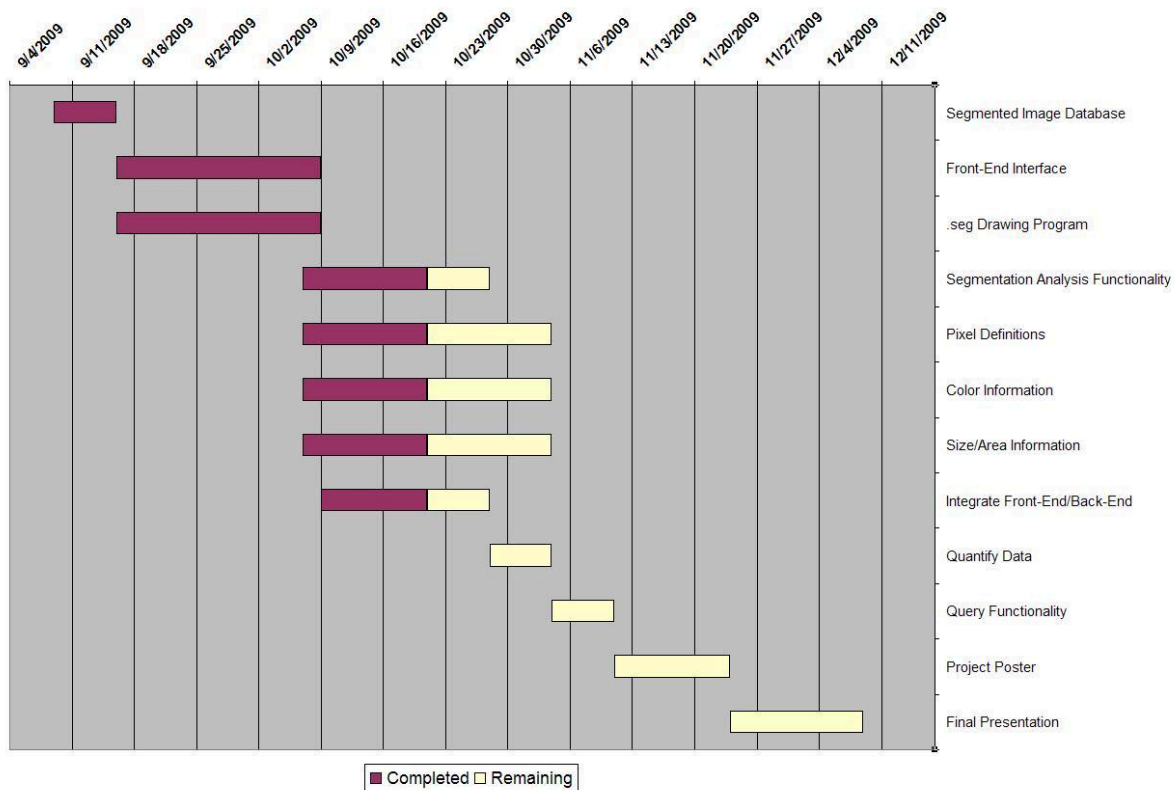
benefits

- visual
- flexible
- planning tool

drawbacks

- based on estimates
- can be difficult to plan and follow in complicated projects

Critical Path Analysis

visual tool to manage complex projects and identify a 'critical path' (activities for which no delays can happen to ensure the project is completed on time)

circle: node
  top right corner: estimated start time
  bottom right corner: latest finish time
  left-hand semi-circle: node number
arrows: demonstrate the tasks and order
  letter is assigned to each task
  estimated completion time is shown below the arrow

earliest start time
calculated by adding the previous EST to ECT

latest finish time
worked out backward by subtracting the final LFT from ECT

critical path
determined by the path that takes the longest time to complete
marked with two lines

total float
identification of spare time calculated by the tasks not part of the critical path
subtract the EST previous node and duration from the LFT of the node

free float
how much a task can be delayed by such that the subsequent activities EST will not be delayed
subtract the EST of the previous node and the duration from the EST of the node
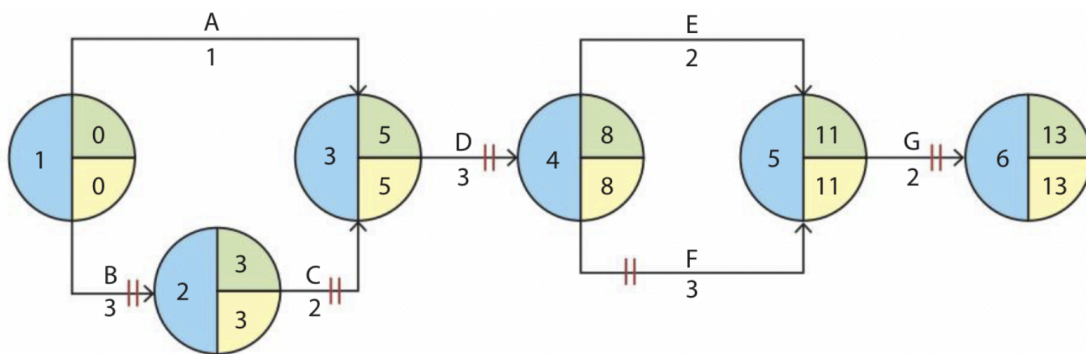
benefits	*drawbacks*
- visual - encourages forward planning - can improve efficiency - cash flow can be controlled because purchases are made when they are required	- does not guarantee success - based on estimates and rely on a motivated and efficient workforce to ensure completion to the deadline - complex project may be difficult to outline

SWOT Analysis
an analytical planning tool separating internal and external factors
strengths, weaknesses, opportunities, threats

STEEPLE Analysis
an analytical framework that analyzes the external environment influencing a business

Social
Technological
Economic
Environmental
Political
Legal
Ethical

causes of changing external environment
       markets change
       customers' wants and needs change
       new competitors enter the markets
       new technologies emergy

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