

섹션 3. MARKETING AND LOGISTICS ACTIVITIES

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IMPLEMENTATION OF THE GROWTH-SHARE MATRIX IN MODERN MARKETING STRATEGIES

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Different models are constantly being used by marketers to make decisions about the allocation of resources and their deployment. The Growth-Share Matrix, or the Boston Consulting Matrix (BCG matrix), is an example of a classic model that has been applied in strategic decision-making and marketing planning. The matrix reveals two factors that companies should consider when deciding where to invest — company competitiveness, and market attractiveness — with relative market share and growth rate as the underlying drivers of these factors. [1] Each of the four quadrants represents a specific combination of relative market share and growth: Stars are products with high market share and high market growth; Question marks are products with low market share and high market growth; Cash cows are products with high market share and low market growth; and Dogs are products with low market share and low market growth.

The significance of the growth-share matrix for current marketing strategies can be defined by some key factors. Its primary advantages are simplicity and convenience. It is an easy-to-use instrument that allows leaders of a complex industry to immediately know what is happening with their products or business segments, which proves invaluable in a competitive market environment.

According to the growth-share matrix, share is the fundamental element that determines the level of profitability. Although it may have been valid in the past, it no longer has the necessary reach. Nowadays, it is possible for businesses to achieve profits through niche markets, innovation, or offering distinctive value to an audience.

The model's complexity could be seen as positive in certain cases. Small firms and companies that want to obtain fast and simple data about their product line-up can benefit from this tool. Furthermore, it could be an effective system of work for firms that are flourishing in a stable industry based on market share and growth rate metrics.

Assessing the effectiveness of the BCG matrix as a tool for evaluating modern marketing strategies requires examining its practical applications. Companies with

extensive product lines can use the process as a starting point for discussing strategy development. Identifying areas that require immediate attention and those that are performing well will be beneficial. That being said, resource allocation should not be solely based on this.

External forces are not present in the growth-share matrix, and it is unresponsive to market dynamics. The BCG matrix is not capable of meeting all the requirements for effective marketing strategies, such as flexibility, responsiveness, and adaptability, that go beyond this range.

To conclude, the modern marketing approach continues to face challenges related to the applicability and viability of the growth-share matrix. The complexities of today's economy still go unconsidered by the BCG matrix, despite its importance as an easily comprehensible evaluation instrument. The modern era of marketing involves an all-encompassing approach that relies on available intelligence, customer orientation, and flexibility to environmental factors. The growth-share matrix should not be the sole factor that determines strategic actions on certain occasions. Therefore, marketers can combine it with a more advanced and comprehensive set of approaches that are based on current marketing strategies.

References:

- [1] Definition of Boston Consulting Group matrix. [Electronic source]. – Access mode: <https://www.bcg.com/about/overview/our-history/growth-share-matrix>
 - [2] Carl W. Stern, Michael S. The Boston Consulting Group on Strategy: Consulting Group and New Perspectives. Wiley; 2nd edition, 2006. 432 pages.
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