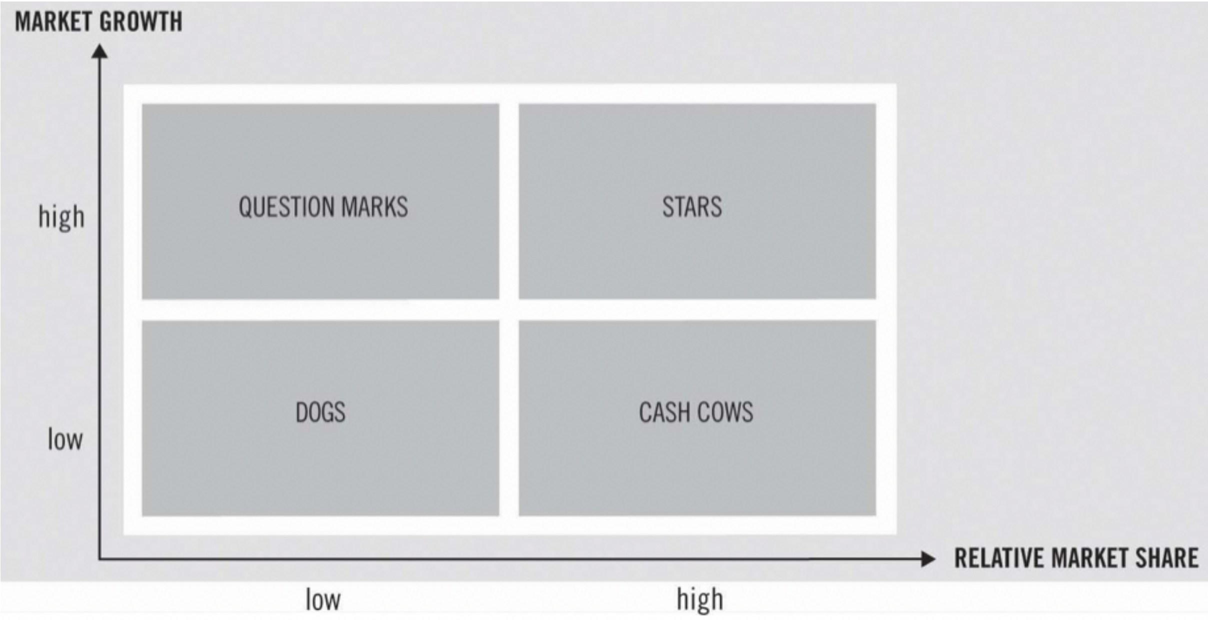
Handout BCG:



„Arrange your financial products, investments or projects in the matrix. The axes indicate growth potential and market share."

„HOW TO EVALUATE COSTS AND BENEFITS"
In the 1970s, the Boston Consulting Group developed a method for assessing the value of the investments in a company's portfolio. The four-field matrix distinguishes between four different types of investment:

- Cash cows have a high market share but a low growth rate. This means they don't cost much but promise high returns. Consultants' verdict: milk them.
- Stars have a high market share and a high growth rate. But growth devours money. The hope is that the stars will turn into cash cows. Consultants' verdict: invest.
- Question marks, or "problem children," have high growth potential but a low share of the market. With a lot of (financial) support and cajolement, they can be turned into stars. Consultants' verdict: a tough decision.
- Dogs are business units with a low share in a saturated market. Dogs should be held on to only if they have a value other than a financial one (e.g., a vanity project or favor for a friend). Consultants' verdict: liquidate.

Obtained from: Krogerus M. (2017): The Decision Book.

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