Based on the exercise on the BCG Matrix of Zara shown during the last class, try to do the following exercise on a food company. You must calculate:

1. Total sales per SBU of the 3 main competitors (sum the sales of the three competitors).

2. Market growth rate (the formula is indicated in the first slide).

3. Contribution of each SBU to the total turnover of the company (divide the sales of each SBU by the total sales of the company X100). 4. Relative market share of each SBU (the formula is indicated in the first slide).

5. Average market growth rate (the sum of the growth rate of the SBUs divided by their number)

6. Draws the SBUs in the matrix as circumferences (Remember that the size of each SBU must be proportional to their contribution to the total turnover of the company. Place the horizontal axis of the matrix at the average growth rate of the market. Place the vertical axis of the matrix in correspondence of the relative market share equal to 1. Remember that the axis of the relative market share is decreasing from right to left).

7. Indicate with arrows the possible strategies of the company, i.e., whether it can move the SBUs to more favorable quadrants of the matrix.