

Lab Ansoff Matrix Analysis Worksheet

Instructions: Review the solar water heater scenario.

Part I: Plot the product on the Ansoff Matrix.

Existing Product in an Existing Market Strategy: Market Penetration Yes or No? Yes	New Product in an Existing Market Strategy: Product Development Yes or No? Yes
New Product in an Existing Market Strategy: Market Development Yes or No? Yes	New Product in a New Market Strategy: Diversification Yes or No? No

Part II: Provide rationale for your selection.

<p>Existing Product in an Existing Market - Market Penetration (Yes):</p> <p>SRU LLC's current solar water heating systems are already established in the existing market. The strategy of market penetration involves increasing market share within this familiar market by gaining more customers or encouraging existing customers to use more of the product. SRU can achieve this through various means such as aggressive marketing campaigns, competitive pricing strategies, or enhancing distribution channels.</p> <p>New Product in an Existing Market - Product Development (Yes):</p> <p>SRU is introducing a new solar water heating system with advanced features and functions. This falls under the category of product development, which involves creating new products for existing markets. By offering innovative solutions, SRU can attract existing customers who are looking for upgraded or improved products within the same market segment.</p> <p>New Product in an Existing Market - Market Development (Yes):</p> <p>SRU's new solar water heating system also offers the opportunity for market development within the existing market. This strategy involves expanding into new market segments or geographical regions with existing products. SRU can target new customer segments, such as commercial businesses or regions with high energy costs, to increase market reach and penetration.</p> <p>New Product in a New Market - Diversification (No):</p>
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Although SRU is introducing a new product, which might suggest diversification, it's still within the existing market of solar water heating systems. Diversification involves entering completely new markets with new products that are unrelated to the company's current offerings. Since SRU's new product remains within its existing market, the strategy does not align with diversification.