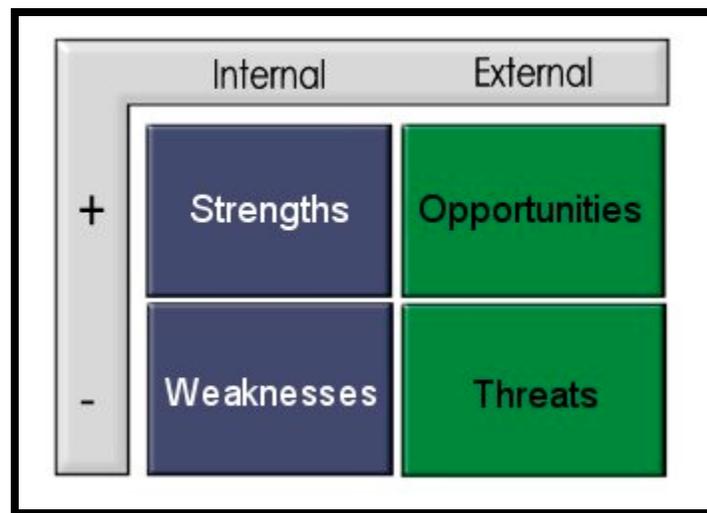


# SWOT Analysis

## Strengths - Weaknesses - Opportunities - Threats

A **SWOT Analysis** is a strategic planning tool used to evaluate the **Strengths**, **Weaknesses**, **Opportunities**, and **Threats** involved in a project or in a business venture or in any other situation of an organization or individual requiring a decision in pursuit of an objective. It involves monitoring the marketing environment internal and external to the organization or individual.



**In SWOT, strengths and weaknesses are internal factors.**

**Strengths could be:**

- Your specialist marketing expertise.
- A new, innovative product or service.
- Location of your business.
- Quality processes and procedures.
- Any other aspect of your business that adds value to your product or service.

**A weakness could be:**

- Lack of marketing expertise.
- Undifferentiated products or services (i.e. in relation to your competitors).
- Location of your business.
- Poor quality goods or services.
- Damaged reputation.

**In SWOT, opportunities and threats are external factors.**

**An opportunity could be:**

- A developing market such as the Internet.
- Mergers, joint ventures or strategic alliances.
- Moving into new market segments that offer improved profits.
- A new international market.
- A market vacated by an ineffective competitor.

**A threat could be:**

- A new competitor in your home market.
- Price wars with competitors.
- A competitor has a new, innovative product or service.
- Competitors have superior access to channels of distribution.
- Taxation is introduced on your product or service.

A word of caution, SWOT analysis can be very subjective. Do not rely on SWOT too much. Two people rarely come-up with the same final version of SWOT.

### **Simple Rules for Successful SWOT Analysis**

- Be realistic about the strengths and weaknesses of your organization when conducting **SWOT** analysis.
- SWOT analysis should distinguish between where your organization is today, and where it could be in the future.
- SWOT should always be specific. Avoid grey areas.
- Always apply SWOT in relation to your competition i.e. better than or worse than your competition.
- Keep your SWOT short and simple. Avoid complexity and over analysis
- SWOT is subjective.

Once key issues have been identified with your SWOT analysis, they feed into marketing objectives.