

SWOT

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What is a SWOT Analysis?

- Framework used to evaluate a company's competitive position and to develop strategic planning.
- SWOT analysis assesses internal and external factors, as well as current and future potential.

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Strengths

characteristics of the organization that **give it an advantage over others**

Weaknesses

characteristics of the organization that **place it at a disadvantage relative to others**

Opportunities

elements in the environment that the organization **could exploit to its advantage**

Threats

elements in the environment that **could cause trouble for the organization**

Internal

External

	Helpful	Harmful
Internal	STRENGTHS <i>What do we do best?</i>	WEAKNESSES <i>In what areas do we receive the most complaints?</i>
External	OPPORTUNITIES <i>What opportunities are available to you?</i>	THREATS <i>What trends, conditions, or competitors pose a threat to us?</i>

Example of a SWOT

- Coca-cola

COCA-COLA SWOT ANALYSIS

	 Helpful	 Harmful
 Internal Origin	<p>MOST VALUABLE BRAND </p> <p>BIGGEST MARKET SHARE IN BEVERAGE</p> <p>MOST EXTENSIVE BEVERAGE DISTRIBUTION CHANNEL</p> <p>HIGH BRAND EQUITY</p> <p>EXISTING DEMAND IN THE WORLD</p> <p>STRENGTHS</p>	<p>DEMAND FALL IN WINTERS </p> <p>HIGH DEBT LEVELS DUE TO ACQUISITIONS</p> <p>NEGATIVE PUBLICITY</p> <p>MANY BRANDS WITH INSIGNIFICANT AMOUNT OF REVENUE</p> <p>WEAKNESSES</p>
 External Origin	<p>RISE IN DEMAND OF BOTTLED WATER </p> <p>INCREASE IN DEMAND OF HEALTHY FOOD AND BEVERAGES</p> <p>GROWTH THROUGH ACQUISITIONS</p> <p>OPPORTUNITIES</p>	<p>WATER SCARCITY </p> <p>CUSTOMER INCLINATION TOWARDS HEALTHY LIFESTYLE</p> <p>COMPETITION FROM PEPSICO</p> <p>SATURATED CARBONATED DRINKS MARKET</p> <p>THREATS</p>

SWOT Analysis Prompts

- **Your customers**
- **Your competitors**
- **Your market share**
- **Business growth**
- **Availability**
- **Price point**
- **Online following**
- **Customer retention**
- **Budget restrictions**
- **Suppliers**
- **Company culture**
- **Reputation**

Strengths

1. What is our competitive advantage?
2. What resources do we have?
3. What products are performing well?

Weaknesses

1. Where can we improve?
2. What products are underperforming?
3. Where are we lacking resources?

Threats

1. What new regulations threaten operations?
2. What do our competitors do well?
3. What consumer trends threaten business?

Opportunities

1. What technology can we use to improve operations?
2. Can we expand our core operations?
3. What new market segments can we explore?

Exercise



Complete the SWOT worksheet individually



Brainstorm, with your group, the Strengths and Weaknesses of the Brown Family Farm



Brainstorm, with your group, the Opportunities and Threats of the Brown Family Farm



Highlight the top strengths, weaknesses, opportunities and threats among the team. Be prepared to defend your logic in class

Learning Objectives

- Understand how to use a SWOT in Strategic Planning.
- Definition: Framework used to evaluate a company's competitive position and to develop strategic planning.
- SWOT analysis assesses internal and external factors, as well as current and future potential. It helps you think through and incorporate a broader perspective in your planning.