

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>

Walmart SWOT

	Helpful	Harmful
Internal	<p>Strengths</p> <hr/> <ul style="list-style-type: none">● Strong brand recognition● Efficient supply chain● Diversified revenue model● Economies of sale	<p>Weaknesses</p> <hr/> <ul style="list-style-type: none">● Overly dependent on the US market● Critical labor practices● Limited online presence
External	<p>Opportunities</p> <hr/> <ul style="list-style-type: none">● eCommerce segment growth● Global expansion● Eco-friendly products	<p>Threats</p> <hr/> <ul style="list-style-type: none">● Intense competition● Changing preferences

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?

Threats

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

Weaknesses

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

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.

COCA-COLA SWOT ANALYSIS

Example of a SWOT

- Coca-cola



Internal Origin



External Origin



Helpful



Harmful

MOST VALUABLE BRAND



BIGGEST MARKET SHARE
IN BEVERAGE

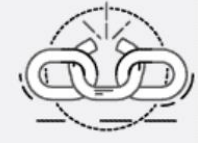
MOST EXTENSIVE BEVERAGE
DISTRIBUTION CHANNEL

HIGH BRAND EQUITY

EXISTING DEMAND IN THE WORLD

STRENGTHS

DEMAND FALL IN
WINTERS



HIGH DEBT LEVELS DUE TO
ACQUISITIONS

NEGATIVE PUBLICITY

MANY BRANDS WITH
INSIGNIFICANT AMOUNT OF
REVENUE

WEAKNESSES

RISE IN DEMAND OF
BOTTLED WATER



INCREASE IN DEMAND OF
HEALTHY FOOD AND BEVERAGES

GROWTH THROUGH
ACQUISITIONS

OPPORTUNITIES

WATER SCARCITY



CUSTOMER INCLINATION
TOWARDS HEALTHY LIFESTYLE

COMPETITION FROM PEPSICO

SATURATED CARBONATED
DRINKS MARKET

THREATS