



SWOT Analysis

Evaluating Strengths, Weaknesses, Opportunities and Threats

It is useful to complete an analysis that takes into account not only your own business, but your competitors' activities and current industry happenings when conducting strategic planning for any company—online and/or offline. A SWOT is one such analysis.

SWOT stands for Strengths, Weaknesses, Opportunities, and Threats. Completing a SWOT analysis helps you identify ways to minimize the effect of weaknesses in your business while maximizing your strengths. Ideally, you will match your strengths against market opportunities that result from voids in your competitors' products and/or services.

Traditionally, a SWOT analysis confines strengths and weaknesses to your company's internal workings while opportunities and threats refer only to the external environment. Here, Prairie suggests a twist to that approach. To get a total take on the current situation from a big picture, consider both internal *and* external forces when uncovering opportunities and threats.

A Basic SWOT Analysis

Prairie develops the basic analysis from a brainstorming session. To begin the analysis, we create a four-cell grid or four lists, one for each component: Strengths, Weaknesses, Opportunities, and Threats. Then, we capture the information and compile a list.

Expanded SWOT Analysis

This is performed when an executive needs to take an additional step beyond a traditional "text book" SWOT analysis to delve even deeper into industry dynamics. A more complete and comprehensive SWOT analysis can help one to better understand their company's competitive situation.

Competitor Information – One way to step beyond a traditional SWOT analysis is to include more detailed competitor information in the analysis. Note internet-related activities—external links to other like-minded sites, search engine inclusion, participation in trade organizations, networking/tradeshows activities, etc. This will help you spot opportunities and threats to your company.

Marketing Environment – Prairie can also take a closer look at the businesses marketing environment. Often, marketing opportunities arise as a result of a changing business environment that would affect a SWOT analysis.

Surveys – To expand the reach of a SWOT analysis, Prairie uses surveys to periodically check the pulse of our clients business-health. At a glance, we are able to learn more about their current state of business, as well as their competitor's businesses. The areas we consider researching include:

- current customer awareness, interest levels, trial offers, and frequency usage levels
- brand, site, and/or company image
- data and priority of content featured on website
- overall web site performance
- product/service attributes compared to those of your competition
- overall performance rating of product/service

Whether Prairie uses a basic or more advanced approach to SWOT analysis, you and your company are sure to come away with newfound insights and knowledge. These analyses are useful in increasing your company's effectiveness and as input into your business and the development of a more precise marketing plan.

STRENGTHS



We discuss with you what your company does well. Some of the questions are:

- What makes your company stand out from your competitors?
- What advantages do you have over other similar businesses?

WEAKNESSES



We list the areas that are a struggle for your company. Some types of questions are:

- What do your customers complain about?
- What are the unmet needs of your sales force?
- How well does your staff meet customer service challenges?
- How well are your products or services rated for being green?

OPPORTUNITIES



We uncover areas where your company's strengths are not being realized and/or fully utilized. Some types of questions are:

- Are there emerging trends that fit within your company's strengths?
- Is there a product/service area that others have not yet covered?
- Are there products/services that are a natural line extension that fit with your current customers' wants and needs?

THREATS



We look for areas that could potentially damage the overall health of your business. Here are some of the questions we use to probe for the data:

- Are your competitors becoming stronger?
- Are there emerging trends that amplify one of your weaknesses?
- Do you see other external threats to your company's success?
- Internally, do you have financial, staff, product development or servicing problems?