

SWOT Analysis

SWOT stands for Strengths, Weaknesses, Opportunities and Threats. Every business has them. When you write them down it helps you to see the positives and negatives affecting a business and you can start planning around that.

Business
Power Tips



You need to start with a SWOT matrix. This is a horizontal line crossed with a vertical line, with the words Strengths, Weaknesses, Opportunities and Threats in each quadrant. Then fill in your thoughts for each topic.

The easiest way to start is with some questions:

Strengths

- What do you do well?
- What are your unique skills?
- What expert or specialised knowledge do you have?
- What experience do you have?
- What do you do better than your competitors?

Weaknesses

- What areas do you need to improve?
- What resources do you lack?

- Where do you need further education and/or experience?
- What tasks cost you time and/or money?

Opportunities

- What are the business goals you are currently working towards?
- How can you do more with your existing customers or clients?
- How can you use technology to enhance your business?
- Are there new target audiences you have the potential to reach?
- Are there related products and services that provide an opportunity for your business?

Threats

- What obstacles do you face?
- What are the strengths of your biggest competitors?
- What are your competitors doing that you're not?
- What's going on in the economy?



Watch the full video:
www.manyrivers.org.au

SWOT Analysis

Example: SWOT Analysis of a granola business

STRENGTHS

- Delicious product
- Reputation for innovation
- Strong sales staff
- Unique brand identity

WEAKNESSES

- High overheads
- Seasonal nature of the region
- Cashflow challenges
- Holding too much stock
- Limited social marketing experience

OPPORTUNITIES

- Increased interest in healthy eating
- Innovative packaging options
- Grants for business funding
- Expansion into other regions
- Bricks and mortar retail outlet

THREATS

- Competitor expanding into the region
- Big brand companies developing similar products
- Price fluctuations of ingredients

Many Rivers has a team of business coaches that work through a SWOT Analysis for your business. Please get in touch with us and ask for help.

Once you've got those answers written down, it's time to analyse. You can make a plan to build on your strengths and minimise your weaknesses, set goals around the opportunities, and work out how to use your strengths to minimise your threats.

There are other ways to combine the data from different quadrants, like combining your strengths and opportunities to develop new strategies. You can also look at your weaknesses and opportunities and create a list of areas where you can improve or make a list of areas to avoid from the weaknesses and threats lists.

Once you've got the knack of doing a SWOT analysis, you can do it over and over again as your business grows.

You can get started by downloading the SWOT worksheet from the Many Rivers website.