



HOW TO CONDUCT A S.W.O.T. ANALYSIS

**A Special Report From
www.MarketingPlanGuide.com**

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How To Conduct a S.W.O.T. Analysis...

Is this the image you had in mind when you first heard the word “S.W.O.T.?”



Well let me correct you. That is a “S.W.A.T.” team. And while a S.W.A.T. team incorporates strategies and tactics into its operation, A “S.W.O.T.” analysis is done by you and your team (if you have one) to help you create your Unique Selling Proposition (U.S.P.) or give you a strategic overview of your company and how it fits within your competitive marketplace.

This is a more appropriate picture



S.W.O.T. stands for “Strengths, Weaknesses, Opportunities, and Threats.”

This is a common exercise done by businesses as a way to assess their market and their own potential.

Competition

Knowing your competition is critical to establishing yourself within an industry. It is essential to have as much information about your entire industry, so that you can make informed decisions about your own position in the marketplace. This first involves identifying the major competitors within the industry. Usually, the biggest competitors are the ones who market the best or have the largest marketing presence because it takes money to market. If you think there are five major players in your industry, I would suggest choosing ten (because the other 5 may be emerging competitors.)

A S.W.O.T. analysis looks at four dimensions of your company and of your biggest competitors. The dimensions are self-explanatory. They are also grouped into two opposite pairs: Strengths/Weaknesses and Opportunities/Threats. When you gather the data you need for the S.W.O.T. analysis you can record it using a four-squared table or box, with Strengths and Weaknesses listed in the top two quadrants and Opportunities and Threats in the bottom two quadrants (see the graphic on the previous page).

Developing A Research Scenario

At this stage of the market overview it is time to put on your Sherlock Holmes hat and go "under cover." You will be researching as much as you can about the competitors you have identified.

Before approaching the competition (usually over the phone and by looking at their web site) it is best to assemble a scenario that would be typical of an inquiring customer. A wedding photographer I worked with called his competition posing as a groom-to-be. He selected a wedding date, which he knew most photographers wouldn't be booked on, and he wrote out a whole scenario down to the time of the reception and where the wedding would be held. In constructing the scenario, make sure you are able to ask the questions you need to find out the most information. In the case of the wedding photographer, he not only asked for prices, but also qualifications, if there was more than one photographer on staff, and what kind of equipment was used. The last thing you always ask for is any kind of brochures or information. Make a note, when calling, of what kind of questions the competitor would ask, if their sales pitched was canned or ad-lib, general phone manners, and if they tried to close the sale on the phone. Also make a note of how long it takes to receive the information from the company if they are mailing items to you or how long it takes if they are responding to a web site inquiry.

What You Want to Know About Your Competition

- Product Offerings
- Pricing
- Phone Manners
- Internet Presence and Web Site Content
- Sales Pitch (rehearsed or ad-lib)
- Closing Techniques (did they try to make sale during the contact)
- Marketing Materials
- Follow-up after the initial contact
- Other (including operational efficiencies)
- (What else would you like to know?)

You can also find data about your competitors and your industry in such things as trade journals or fact books, if they exist. The reference librarian at your local library can help you locate these resources. Another area to research your competition is on the Internet. All these pieces of data will help you with the next phase of the competitive research.

Where to Find Information on Your Competitors

- Yellow Pages
- By phone (using a research scenario)
- From other competitors
- Industry trade journals or fact books
- Reference librarian at your local library
- Your vendors
- The Internet (their web site, industry web sites, social networking sites)

Opportunities/Threats

This part of the S.W.O.T. analysis is more forward-looking. When you look at these two factors as they apply both to your competition and your own company they correlate to the Strengths and Weaknesses identified in the earlier research. This is where new marketing campaigns are born. It is also a way to further develop your Unique Selling Proposition (U.S.P.). That is covered in more depth in the book, "The Do-It-Yourself Marketing Handbook: How Anyone Can Be a Great Marketer," which is available now in an immediate download version at www.MarketingPlanGuide.com

Your Mission Should You Decided To Accept It.....

Complete the Following S.W.O.T. Analysis Exercise

List on the four-quadrant grid the Strengths, Weaknesses, Opportunities, and Threats of each competitor. Attempt to make some conclusions about how customers would perceive them (not just your own personal thoughts). Try to find the weaknesses/opportunities of each competitor that you can really sell against.

Competition	STRENGTHS	WEAKNESSES
OPPORTUNITIES		
THREATS		

Now write down what you feel are the Strengths, Weaknesses, Opportunities, and Threats of your company. Take all of the brochures from your competitors and lay them side by side next to yours (if you have one). Imagine what a potential customer would think if they looked at these same brochures side by side.

Competition	STRENGTHS	WEAKNESSES
OPPORTUNITIES		
THREATS		