

Industry and Competitor Analysis

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Industry and Competitor Analysis: SWOT

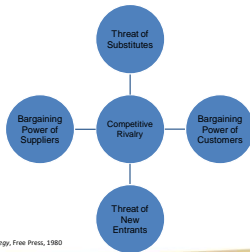
Consider

- Defining Your Industry
- Industry Rivalry
- Supplier Power
- Buyer Power
- Health of the Economy
- Government Regulations

Consider

- Defining Competitors
- New and Existing Competitors
- Substitute Products
- Competitor Knowledge
- Barriers to Entry and Exit
- General Environment

Porter's Five Forces Analysis



Adapted from M.E. Porter, Competitive Strategy, Free Press, 1980

Rivalry

- How many competitors will I have?
- Can they take my customers? If so, how?

Threat of Substitute Products

- Are there similar products in the market that fulfill my customers needs?
- How likely are my customers to switch to those products?

Bargaining Power of Customers

- How powerful are my customers?
- How easily can they switch to another business?
- How easily can they force me to change my prices?

Bargaining Power of Suppliers

- How easily can my suppliers drive up prices?
- How easily can I switch to another supplier?
- How easily can my supplier integrate forward?

Threat of New Entrants

- How easily is it for new businesses to enter and take my customers?
- Barriers to entry can come from various sources:
 - Government
 - Patents and proprietary knowledge
 - Asset specificity
 - Organizational (internal) economies of scale
- Exit barriers limit a firm's ability to leave the market and can exacerbate rivalry.

Competitor Analysis

- Define your business
- Define your competitors
- Identify strengths and weaknesses
- Identify opportunities and threats

• Internal
• Internal

Strengths
Weaknesses

Opportunities
Threats

• External
• External

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Quick Competitor Analysis

Customer Seeks	Competition Offers	You Offer

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Quick Competitor Analysis

Customer Seeks	Competition Offers	You Offer
Quality		
Exclusivity		
Experience		
Convenience		
....		

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Other Presentations

- Business Plan Basics
- Evaluating New Ideas
- Communicating with Your Customer 3 Part Series

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