

SWOT ANALYSIS

AND WHY IT SHOULD BE YOUR NEW BEST FRIEND

BY ASHLEY BRITTON • OCTOBER 17, 2020

A SWOT analysis is a framework that is used by companies to evaluate competitive positioning and develop strategic planning. SWOT stands for:

Strengths • Weaknesses • Opportunities • Threats

The image on the right is an example of a commonly used template when conducting a SWOT analysis, which consists of four quadrants for each characteristic.



(Photo by [Marketing91](#))

Strengths



internal characteristics of business that gives it an advantage over competitors in the industry

Weaknesses



internal factors placing a disadvantage relative to its competition and that may weaken the company

Opportunities

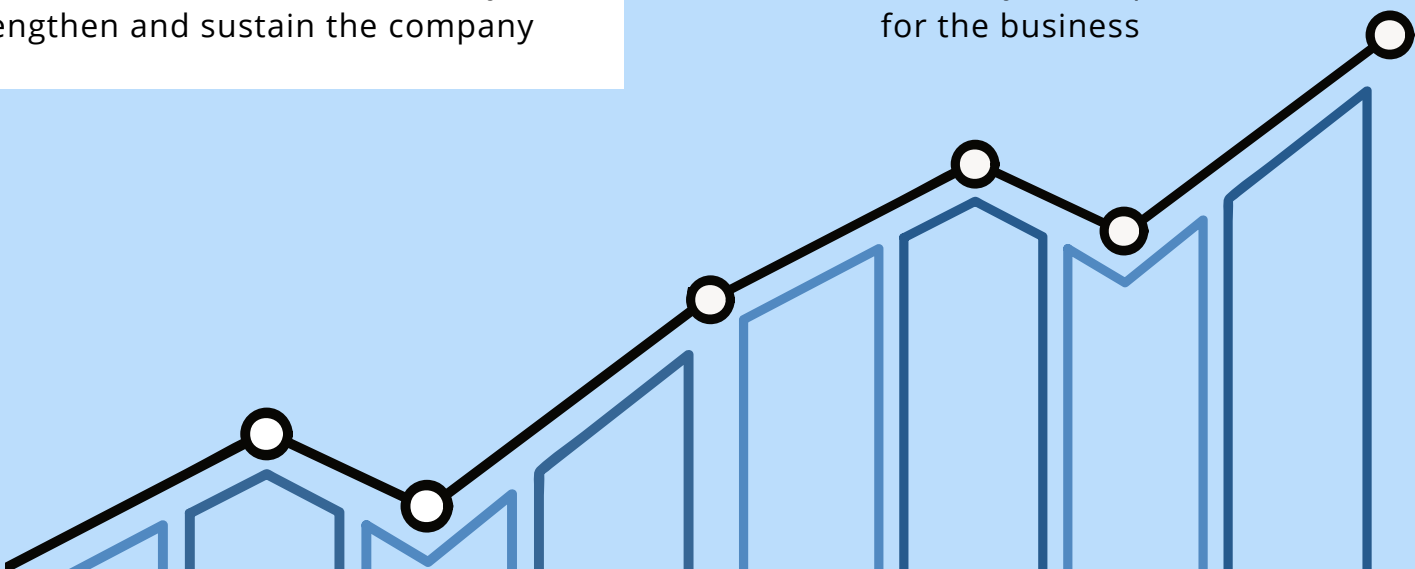


external chances to make greater sales in the environment and that may strengthen and sustain the company

Threats



external chances in environment that could or may cause problems for the business



REASONS WHY YOU SHOULD USE SWOT:



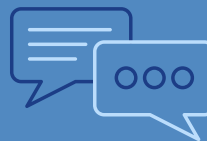
It's a helpful way to **summarize a variety of factors** that affect the issue being assessed all in one place.



It's **cost-effective**, so you don't need special training before conducting your analysis, nor do you need to hire a special consultant to help.



It provides a **visual overview of your company's position** which can help determine your progress and eliminate your weaknesses, especially when comparing yourself against competitors.



It **promotes discussion** amongst you and your team, which is important as everyone should be on the same page before developing a strategic plan.



It's **simple** to do and it provides **clear and straightforward results.**

SOURCES CITED

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