

## SWOT ANALYSIS

SWOT is a structured planning method that evaluates the below four elements of a new start-up project or business venture.

SWOT, an acronym, stands for:

**Strengths** (internal)

**Weaknesses** (external)

**Opportunities** (internal)

**Threats** (external)

SWOT analysis involves specifying the objective of the business venture or project and identifying the internal and external factors that are favourable and unfavourable to achieve that objective.

As a guide:

- **Strengths:** characteristics of the business or project that give it an advantage over others
- **Weaknesses:** characteristics that place the business or project at a disadvantage relative to others
- **Opportunities:** elements that the business or project could exploit to its advantage
- **Threats:** elements in the environment that could cause trouble for the business or project

Identification of the above is important because they can help with later steps in planning to achieve the objective.

Users of SWOT analysis must ask and answer questions that generate meaningful information for each category to make the analysis useful and find their competitive advantage.

## INNOVIC SWOT ANALYSIS QUESTIONNAIRE

### STRENGTHS (internal – tending to be in the present)

A **strength** could be:

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| <ul style="list-style-type: none"> <li>• Advantages of proposition?</li> <li>• Capabilities?</li> <li>• Competitive advantages?</li> <li>• USP's (unique selling points)?</li> <li>• Resources, assets, people?</li> <li>• Experience, knowledge, data?</li> <li>• Financial reserves, likely returns?</li> <li>• Marketing - reach, distribution, awareness?</li> <li>• Innovative aspects?</li> </ul> | <ul style="list-style-type: none"> <li>• Location and geographical?</li> <li>• Price, value, quality?</li> <li>• Accreditations, qualifications, certifications?</li> <li>• Processes, systems, IT, communications?</li> <li>• Cultural, attitudinal, behavioural?</li> <li>• The problem it solves?</li> <li>• Philosophy and values?</li> <li>• Novelty (it does not already exist)</li> <li>• Low establishment cost?</li> </ul> |
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Chose from any of the above example **strengths** or/and those **strengths** you think, in your opinion, are relative to your idea/innovation:

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**WEAKNESSES** (internal – tending to be in the present)

A **weakness** could be:

- Disadvantages of proposition?
- Gaps in capabilities?
- Lack of competitive strength?
- Reputation, presence and reach?
- Financials?
- Own known vulnerabilities?
- Timescales, deadlines and pressures?
- Cash flow, start-up cash-drain?
- Continuity, supply chain robustness?

- Effects on core activities, distraction?
- Reliability of data, plan predictability?
- Morale, commitment, leadership?
- Accreditations, etc?
- Processes and systems, etc?
- Management cover, succession?
- The problem solved is not commonly known?
- It already exists in similar form?
- High capital requirements?

Chose from any of the above example **weaknesses** or/and those **weaknesses** you think, in your opinion, are relative to your idea/innovation:

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**OPPORTUNITIES** (external – tending to be in the future)

An **opportunity** could be:

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| <ul style="list-style-type: none"> <li>• Market developments?</li> <li>• Competitors' vulnerabilities?</li> <li>• Industry or lifestyle trends?</li> <li>• Technology development and innovation?</li> <li>• Global influences?</li> <li>• New markets, vertical, horizontal?</li> <li>• Niche target markets?</li> <li>• Geographical, export, import?</li> </ul> | <ul style="list-style-type: none"> <li>• New USP's (Unique Selling Point)?</li> <li>• Tactics: eg, surprise, major contracts?</li> <li>• Business and product development?</li> <li>• Information and research?</li> <li>• Partnerships, agencies, distribution?</li> <li>• Volumes, production, economies?</li> <li>• Seasonal, weather, fashion influences?</li> <li>• Easily identifiable JV partners or distributors?</li> </ul> |
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Chose from any of the above example **opportunities** or/and those **opportunities** you think, in your opinion, are relative to your idea/innovation:

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**THREATS** (external – tending to be in the future)

A **threat** could be:

- Political effects?
- Legislative effects?
- Environmental effects?
- IT developments?
- Competitor intentions - various?
- Market demand?
- New technologies, services, ideas?
- Vital contracts and partners?

- Sustaining internal capabilities?
- Obstacles faced?
- Insurmountable weaknesses?
- Loss of key staff?
- Sustainable financial backing?
- Economy - home, abroad?
- Seasonality, weather effects?
- Copying/IP infringement?

Chose from any of the above example **threats** or/and those **threats** you think, in your opinion, are relative to your idea/innovation:

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## SUMMARY

A SWOT analysis acts as a quick early stage decision-making tool, quite aside from the more detailed data that would typically be fed into the business planning process for each of the SWOT factors.

SWOT is not, nor does it take the place of, a business plan.

On completion of the previous four key SWOT questions: **Strengths**, **Weaknesses**, **Opportunities** and **Threats**, scan/copy and send to: [rmilne@innovic.com.au](mailto:rmilne@innovic.com.au).

**THANK YOU**