

# [Industrial forces case study examples](https://assignbuster.com/industrial-forces-case-study-examples/)

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- Competitive rivalry   
- Moderate power   
- Product differentiation is low between Gentex and its competitors   
- Growth is slow   
- Fixed costs are high   
- Overcapacity of parts   
- Lack of brand identity of the company.   
- The absence of switching costs among the company’s products   
- Buyer power   
- A low number of potential buyers therefore increasing their buying or bargaining power.   
- Lack of favorable buyer incentives   
- Large volumes and sizes of customers orders of the auto parts that increase or raise their power   
- Threat of backward integration that increases the buyer’s power   
- Threat of substitutes   
- Presence of other auto parts products that match the performance and price of Gentex company   
- Gentex’s customer’s willingness to migrate or switch to other products or substitutes   
- Lack of switching costs that may encourage the customers to start using auto parts from other producers.   
- The inclination of the buyer towards the substitutes from other companies competing with Gentex   
- Threat of new entrants   
- The barriers that inhibit the entrance of other producers to the auto industry markets are minimal.   
- Lack of legal and regulatory restrictions in the industry   
- Large cost units that make it relatively easy for new entrants to enter the market and attain a significant market share.   
- Lack of retaliation techniques from Gentex Company to counter the threat of new entrants.   
- Wide access to distribution and supply channels by the new entrants therefore enabling them enter into the auto parts market in a relatively easy way   
- Supplier power   
- Small number of suppliers that supply raw products to Gentex thereby enabling them to have high supply power.   
- High switching costs between suppliers   
- The threat of suppliers to engage in vertical integration   
- Wide input differentiation between alternative suppliers   
- A relatively large effect of the inputs on the differentiation of products and their cost

## Works cited

Porter, M. E. The Five Competitive Forces That Shape Strategy. Harvard business Review. 2008.   
Kotner, Wesley. Marketing Strategy. Oakland, CA: Stanton Publishers. 2011.