

How to create a swot analysis

[Business](#)



\n[[toc title="Table of Contents"](#)]\n

\n \t

1. [1. Start by addressing what you want to analyze](#) \n \t
2. [2. Identify the strengths](#) \n \t
3. [3. Note the weaknesses](#) \n \t
4. [4. Think about the opportunities](#) \n \t
5. [5. Limit the threats](#) \n

\n[/toc]\n \n

SWOT Analysis is a well-rounded and inexpensive method to digest the good, the bad, and the killing-you-softly aspects in your business.

In four steps the strengths, weaknesses, opportunities, and threats can be identified to limit negative backlash while capitalizing on what's working in your business.

SWOT analysis can be as simplistic or as detailed as you like. It would be best to add in data from existing or past projects, numbers from sales and profits met, and any other reliable information you can provide while doing a SWOT analysis.

It's not required, but it makes for a more thorough analysis.

1. Start by addressing what you want to analyze

Since SWOT analysis can be applied in every aspect of business. You can apply SWOT analysis to...

- New business ideas

- Development of departments
- Sales and profits of a product
- The success of new or old products
- Your entire business model

And anything else related to your business. Decide which you want to dive into, and go to the next step.

2. Identify the strengths

Strengths are the positives. Essentially, they're what is working well for your company. While sales and profits are included here it can also be less tangible strengths. Such as brand identity or strong outreach.

You can find strengths in many areas, including...

- Shares, likes, comments, views, and downloads on content
- Reviews and testimonials from happy customers
- Raw numbers from sales and profits

Again, this section is where your business excels. Also, note why it's excelling for a stronger answer.

3. Note the weaknesses

Weaknesses are exactly what they sound like. They're what's holding you back from meeting your goals. They may appear to be sinking ships, but given enough thought and understanding, you may find a way to turn them into a strength.

Weaknesses are found within the company. They can be poorly planned marketing campaigns or lackluster shipping designs. They can also be a

<https://assignbuster.com/how-to-create-a-swot-analysis/>

product that isn't selling as expected. Raw numbers help the most here to identify exactly what is weakening your business.

Weaknesses can either be eliminated or worked on. But you need to decide which is the better move for your brand.

4. Think about the opportunities

Opportunities are often outside influences. They may pop up without warning. But if they're not capitalized, they'll slip away.

For example, digital marketing companies who focus on graphic designs of websites, logos, and apps may team up with copywriters. Why? Because copywriters often work with clients who need help with their designs. And designers work with companies who need strong writers.

This is a beneficial opportunity for both companies to get more clients with half the work.

Because opportunities can just happen. In this stage you need to look at which outside influences could benefit your business. It could be collaborations. It could be a shift in trends which your new product will capitalize on.

I'll admit, this is the hardest part of the analysis. But if you can think of future opportunities to either jump onto or create yourself, you'll find yourself ahead of your competition.

5. Limit the threats

Threats are also outside forces, but many can be found if you do a little bit of digging. Outside threats include taxes, market changes, and government laws. Additional threats can be incoming products based on trends, your existing competition, and your own weaknesses.

For example, if you only target the high class, they're a small percentage of the buyers market. By not offering a cheaper alternative to lower and middle-class workers, you may be threatening the success of your own company.

Address threats from a global, economical, and local scale. Write them all down and rank them from top priority to least priority, in terms of immediate threat.

When each of these steps is put together, you've completed your SWOT analysis!

In an upcoming article, I examine a SWOT analysis case study of a big name company. You can use this or other examples when doing your own SWOT analysis.

Image: wellphoto/Shutterstock. com