

# What does swot stand for?

Business



SWOT is a type of analysis conducted by a business analyst, team, and/or individuals who intend to develop a plan of action. It's applicable for any industry, even oneself, but is primarily used for company and products.

It's a tool you can use to highlight four key traits: strengths, weaknesses, opportunities, and threats.

To see the benefits, you need to know what SWOT stands for and how to use it.

### Strengths

Strengths (or the ' S' in SWOT) are positive traits. They reflect what's working for your company, product, or another topic you've chosen for this analysis. In other words, they're what set you apart from your competitors and give you an advantage.

Perhaps you have sleeker packaging compared to your top competitor. Or your company actively converses with customers online while your competitor can barely operate a computer.

You want to play up your strengths. Use them to your advantage and decide how to manipulate the strengths to keep them active.

Identifying strengths is the first step in SWOT analysis. But the next step can be objectively more difficult.

### Weaknesses

The ' W' in SWOT stands for weaknesses. Depending on the focus of your analysis, weaknesses may be the most important list to factor in.

Weaknesses are problems. They leech away at your business — sometimes obviously, sometimes not so much. If you market your business through fliers, rather than through social media which is where your customers are, that's a big problem. You're not getting customers so the business is essentially dying.

If your shipping costs \$2 more than your competitors, it's a weakness. But it won't necessarily turn all your customers away.

Weaknesses have the ability to change if you acknowledge them. And that's what SWOT aims to do.

And they suggest opportunities.

### Opportunities

Opportunities stand for the third letter in SWOT. You highlight opportunities to stamp out weaknesses (if possible) and to acquire new strengths to add to that list.

Some people think opportunities just happen: we either miss them or we use them. But it's not a random lottery. At least, it doesn't have to be.

Opportunities blossom from strengths and weaknesses. You may be corresponding with a big influencer in your industry. The opportunity? To work with them — you've already got a connection. And it could bring more online recognition.

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But you can also create opportunities from weaknesses. Whatever you have written in your weaknesses list, you can spin into a positive. As soon as you start a plan of action to tackle weakness, you've hatched opportunities.

Whether you use them or not is up to you. But it can become a threat if you don't.

## Threats

Threats are the ' T' in SWOT. They're similar to weaknesses. They have the potential to hurt your business or product. But they also can appear out of nowhere.

A threat can be a lack of funding for a new project. It threatens the entirety of the project before development even starts. Or it can stem from weaknesses that are left unattended. Like if your team has been unhappy and now, months later, they're leaving for rival companies one-by-one.

Consider threats internally and externally. Then measure the level of impact each threat can have.

And there you have it.

What does SWOT stand for?

Strengths, weaknesses, opportunities, and threats.

And together, they form an analysis to help you further develop a business, product, industry or idea. It costs nothing but time to use — unless you're after fancy designs.

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And yet, after completing it, you'll be a stronger state to go against competitors.

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