

Swot analysis

[Business](#), [Marketing](#)



SWOT Analysis SWOT Analysis The SWOT analysis entails the identification of the external and internal environmental factors that have an impact on the short-term and long-term activities in organizations. As a result, the management can uphold and advance their operations in order to keep up with competition. SWOT as an acronym represents the Strengths, Weaknesses, Opportunities and Threats that define a business's environment. The identification of these aspects of a business helps in establishing a strategic plan for the organization. The SWOT analysis is also essential in the establishment of a marketing plan for an organization. The strengths and weaknesses define the internal environment while the opportunities and threats represent the external environment to a business (Ferrell & Hartline, 2011).

Strengths

Managers should analyze all their internal positive characteristics of their organization with an aim of exploiting them. These attributes represent the strengths of such an organization and the analysis helps in indentifying the extent to which these factors can be utilized. The strengths include the resources at the firm's disposal that ensure all the business practices run smoothly (Ferrell & Hartline, 2011). In addition, the positive characteristics are considered as strengths from their capability to sustain the organization's competitive advantage and the positive aspects of the human resource. The managers should focus on these attributes in order to add value to the business operations. These organization's strengths are within the management's control.

Weaknesses

The weaknesses represent the factors that work toward minimizing the capacity to add value through an organization's operations. Consequently, these factors reduce the expected value of an organization's operations and leads to a decrease in their competitive advantage in the markets. Such weaknesses include inability to utilize the existing resources maximally, poor quality services and poor positioning in the market. These factors are also within the management's control (Ferrell & Hartline, 2011).

Opportunities

Opportunities are aspects of the external environment to an organization. They symbolize the incentives for the existence and the possible progress of business operations in the market. These incentives present an opening to advance business practices and improve the current benefits. They also offer a chance for growth and development of activities that add value to the organizations and its stakeholders (Ferrell & Hartline, 2011). These opportunities also lead to potential increase in a firm's competitive advantage ensuring business stability. In addition, various market opportunities also present the management with latent problem solving abilities for existing issues. These factors are beyond the control of the management.

Threats

Threats are described as factors that put organizations' practices at a risk. The risks include total failure or the reduction of the value added to the organization. The main threat to all businesses is competition from their rivals. However, several other threats such as unstable prices, numerous government regulations and economic recession also poses danger to the

organizations operations. These factors are external to the businesses thus beyond the management's control (Ferrell & Hartline, 2011).

LadyBug Jewelry internal analysis

Strengths

Weaknesses

Unique designs and variety

Minimal awareness of interchangeable jewels

Cost effective production process

Inadequate marketing efforts

Flexibility in offering customized jewels

Consistency in maintaining uniqueness and variety

Consistent production of jewels

Inability to sustain increasing demand of particular jewels

LadyBug Jewelry external analysis

Opportunities

Threats

A growing jewel market

Reduction of raw materials for jewel production

Possible expansion of the LadyBug Jewelry company

Increase in the costs of production because of general economic recession

Introduction of new designs in the market by fresh innovative minds

Artistic imitators of the original LadyBug Jewels

The ability to produce a variety of unique jewels is crucial to the LadyBug Jewelry Company. Unique jewels enable the company to stay ahead of competition in the market. In addition, it enables the company's products to

stay relevant with the dynamic fashion-oriented market. It also leads to attracting and retaining many customers who seek satisfaction and value for their money. Consistent production of unique variety of jewels puts the business at an advantage of maintaining its competitive advantage and profitability in the end.

The threat of imitators and copycats threatens the sales of the original jewels from LadyBug Jewelry Company. This is because the imitation jewels have flooded several markets leading to lack of sales for the original jewels. In order to minimize this threat, the company should petition the government to curb copycat business. Moreover, the company should carry out aggressive awareness campaign to inform their existing and potential customers on identifying the original jewels.

Reference

Ferrell, O. C., & Hartline, M. D. (2011). *Marketing Strategy*. Australia: South-Western Cengage Learning.