

Porter's Five Forces Template

Context

(Include info here on why and how you plan to use this framework to clarify strengths and weaknesses. Share detail on how this analysis will help the team find alignment and establish a more strategic approach.)

1. Existing Competitors

- How many competitors exist currently? Who are the key competitors?
- How does their pricing compare to yours?
- How similar is their product or feature set?
- Do they have a competitive advantage you lack?

2. New entrants

- How easy is it for new competitors to enter the market?
- What are the barriers to entry?
- Do you have an advantage with economies of scale?
- Do you have a well differentiated product?
- Are there capital requirements to enter your market?
- Do you have any patents or intellectual property that others lack?
- Do you have access to distribution channels that others lack?
- Are there government policies or regulation that make it hard for others to enter this market?

3. Suppliers

- How many potential suppliers could you do business with?
- How easily could you change suppliers?
- How easy would it be for your suppliers to raise their pricing?
- How easy would it be for your suppliers to lower the quality or availability of their offering?
- How important are you to your suppliers?
- Are there certain employees or contractors who are critical to the success of your team, and how easy would it be to replace them?

4. Buyer Power

- How much bargaining power do your customers have?
- Do you have many smaller buyers or just a few large ones? (Few larger buyers tend to have more negotiating power)
- Are customers reliant on your product, or could they stop using it?
- How sensitive are they to pricing changes?
- If you're in a B2B space, what's the likelihood that your buyers could start producing this product themselves?
- If you're in the B2B space, are your buys very profitable themselves and/or do they have a large profit margin?

5. Substitutes

- List other products or solutions that people could use instead of yours.
- How similar are they?
- How do these substitutes compare on price?
- How do these substitutes compare on value or quality?
- Is it difficult to switch from one product to another, and are there switching costs?
- Do your customers feel a sense of loyalty to your brand?