Swot analysis of fitbit

One of the best ways to evaluate how your business or project is going is to perform a SWOT, meaning you should analyze your strengths, weaknesses, opportunities and threats. A SWOT analysis is a quick tool that lets you visualize how something is performing and what challenges could stand in the way of your success. The strengths and weaknesses sections focus on internal influences, while opportunities and threats look at external factors. A SWOT analysis is a way to easily visualize strengths, weaknesses, opportunities and threats to see how something is doing and what could prevent its success. While it is most commonly used by businesses, a SWOT analysis can also be used to evaluate specific projects, products, nonprofit agencies, industries, locations, governments, departments, personal growth, potential investments and more. Essentially, the model looks at what a business or other entity can or cannot do and what could help and hinder its success in the future while factoring in both internal and external influences. The framework was created by Albert Humphrey, a scientist at the Stanford Research Institute, who looked at data from Fortune 500 companies in order to perfect this method of business evaluation. The model is so popular now that it is used by entities across the globe. You will often even see it translated into other languages. For example, in Spanish, SWOT is instead called FODA, which stands for fortalezas, oportunidades, debilidades y amenazas (strengths, opportunities, weaknesses and threats). By using a SWOT analysis, a business or other group can quickly see what is helping it to achieve its goals and what obstacles are standing in the way of those successes. The company can then build a strategy for how to overcome those obstacles or at least minimize the potential damage from them. A SWOT analysis is made up of a large square broken into four smaller square quadrants. The quadrants are then labeled as strengths, weaknesses, opportunities and threats. Strengths and weaknesses focus on internal factors, while opportunities and threats focus on external influences. By laying out these factors, you can view the SWOT to quickly ascertain where a company or project stands at a given point in time. It is worth noting that not all points under a heading may be of equal importance, so just because one section is bigger does not mean that it outweighs the others. Strengths and weaknesses in a SWOT refer to internal attributes that may affect a particular outcome. The strengths should describe where the organization excels and what makes it better than its competition: for example, a strong brand, a dedicated fan base or proprietary technology. Weaknesses should describe which internal factors are working against a successful outcome, preventing it from performing at its peak level. Examples of weaknesses may include high employee turnover, high levels of debt or a lack of capital. When creating your list of strengths, consider the following questions. What are the advantages you offer customers? What do you do better than the competition, and why should customers choose you over them? What are your unique selling points? Try to be realistic and consider things from a consumer perspective rather than your own, as you are likely to be biased in your evaluation of your own product or company, and the SWOT works best when performed from an objective perspective. When considering your weaknesses, you might want to ask people outside your company for suggestions to make sure you don't miss anything, especially since some of the questions that need to be answered may be difficult. Be sure to consider the following when creating your SWOT. What could your organization improve? What should your organization avoid? What do customers see as your weaknesses? What makes you lose customers or market share? These two factors are based on outside influences. Opportunities refer to external factors that can help give an organization a competitive advantage or something on which to capitalize: for example, market trends, celebrity endorsements or inexpensive labor costs. Threats are things that may jeopardize an entity's success. Common threats include things like rising material costs, increasing competition or a small labor supply. When considering opportunities and threats, be sure to look at factors such as technological developments, governmental policy changes, changes in the market and new suppliers. Be sure to ask yourself: What trends will impact the business? What is the financial situation of the organization? Could new technologies help or hurt the project? First, strive to be objective and look at things from the perspective of the consumer. If you know your ingredients are sourced from the best possible farms in the area, but your competitors tend to source from the second-best farms, assume the typical customer won't notice the difference. If necessary, ask a customer or friend for their thoughts so you do not position yourself higher than you should in your SWOT and render it ineffective. Before you start your SWOT, consider what exactly you're measuring. Don't focus on the whole company if you really are interested in how one product is doing. You might want to get an overview of the overall success of a company, or you might be trying to look at a specific goal, such as the likelihood of an expansion. You can be as specific or general as you want when performing a SWOT, but be sure you know your focus before you get started, or you may have strengths focusing on just one product and weaknesses focusing on a specific plant location. In some cases, you may want to perform smaller SWOTs focusing on products or projects that can then be combined to create a larger company or department SWOT. While there are many templates available for a SWOT analysis, the easiest way to get started is to simply divide a chart into four sections labeled strengths, weaknesses, opportunities and threats. A template might be beneficial in helping to guide the discussion, though. Some people try to focus on one area when filling out a SWOT, such as just strengths, but when you first start brainstorming, it can be easier to start putting entries into the right sections as you think of them. Once you start slowing down with your ideas, you can focus on adding to each section individually. If you get stuck, you can look online for brainstorming SWOT questions that will help move things along, such as "What does your company do better than others?" or "What areas do you need to improve?" Because you'll be brainstorming as you initially add entries, make sure you go through your points before finishing the analysis to clarify vague points, eliminate duplicate entries and ensure everything is in the right section (internal factors are often added to the external sections and vice versa). You may notice the external factors outweigh the internal factors, as internal issues are easier to see since you work with them directly on a regular basis. If that's the case, it can be beneficial to return to the matrix, focusing solely on external factors. A SWOT analysis of the Coca-Cola company in 2015 had strengths including the company's brand awareness and large distribution network, weaknesses like a lack of healthy beverage options, opportunities including new emerging markets and threats such as foreign currency fluctuations and increased consumer desire for healthy beverages. To address these concerns, the company ramped up its marketing, advertising and promotional activities in other countries and expanded its selection of perceived healthy beverages. Within a year, its stock climbed from $39 per share to $46. SWOT stands for strengths, weaknesses, opportunities and threats. A SWOT analysis helps a company gauge internal and external elements affecting its operations. Senior executives analyze SWOT analysis data and accounting information to gauge the firm's monetary solidity. Financial analysis is a business process in which corporate managers review financial data, compare historical and current information and appraise business performance. In a SWOT analysis, economic trends represent external elements. Positive economic indicators, such as employment and increased consumer spending, are favorable to a company.   Profitability indicators are internal elements in a SWOT analysis. Examples include profit margin, or net income divided by total revenue.   A company's cash flows provide insight into its ability to pay for goods and other operating expenses in the short term and long term. A corporate cash flow statement indicates (in this order): cash flows from operating activities, cash flows from investing activities and cash flows from financing activities.   Working capital measures cash available for operating activities in the short term. It equals current assets, such as accounts receivable and inventories, minus current liabilities, such as accounts payable. business plan image by Mykola Velychko from Fotolia.com By: Erica Tambien Updated September 26, 2017 SWOT analyses--measuring Strengths, Weaknesses, Opportunities and Threats--highlight the various marketing conditions that can impact an organization. Because SWOTs divide these factors into internal characteristics--strengths and weaknesses--and external forces--opportunities and threats--they can be very useful when comparing two companies. Select specific objectives for your comparison before completing your analysis. Let the ultimate goal of your research be your guide. For example if you’re comparing two organizations to see which is best positioned to serve a particular market, you should look more closely at SWOTs that are somehow connected to that market. A broad generalized approach may work for a general SWOT analysis; however this technique may not provide enough information to help you effectively compare two businesses. Once objectives have been set you can complete the actual analysis and start prioritizing the information. Rank each organization’s strengths, weaknesses, opportunities and threats keeping your objectives in mind. Things to consider: the realistic impact of each factor, the money and time needed to fix or leverage SWOTs, and the time frame decision makers are working within to accomplish their business goals. True opportunities and threats have the potential to impact all competitors in a particular market. A general SWOT analysis simply identifies these elements but when completing a SWOT comparison project this approach isn’t enough. You must consider how opportunities and threats affect each organization specifically, the implications of these effects and the resources each company has to address them. Perhaps more than most fields, the information technology industry faces a dizzying rate of change and innovation. IT firms that don’t regularly assess those changes, and the firm’s place in the evolving marketplace, risk losing clients and contracts to firms better equipped and prepared for new opportunities. One proven method for an IT firm – or indeed, a company of any kind – is to evaluate market position through a complete analysis of the firm’s strengths, weaknesses, opportunities and threats. More commonly known as a SWOT analysis, this process helps a business spot potential avenues for revenue, stave off declining revenue and build on its unique value for a healthier company. SWOT is an acronym that stands for: Strengths: The things your company does well or considers assets. Weaknesses: Tasks and projects your business struggles with or assets it lacks. Opportunities: Events and circumstances that your company could leverage. Threats: Situations that pose a risk to your company in some way. One way to distinguish strengths/weaknesses from opportunities/threats in the SWOT analysis is to view them from the company’s perspective. Strengths and weaknesses are internal, while opportunities and threats are external to the company. For example, an IT firm may employ multiple coders with extensive experience in building native web apps. Thus, skill in native web app development would be a strength because it is based on an asset – employees – within the firm itself. If the popularity of native web apps drops dramatically in favor of some new, emerging technology, that would present a threat to the firm, as it is coming from outside the business. The strengths and weaknesses analysis is focused on the present, examining what the company can do well today. On the other hand, opportunities and threats can be forward looking. There’s a bit of prediction at work, since you’re trying to anticipate future events and benefits, as well as risks. The process of a SWOT analysis is valuable to IT companies in a busy marketplace. It’s all too easy to become too wrapped up in urgent, daily crises to take a step back to get perspective on the business itself. At the same time, it’s also easy for a business owner to become convinced of a certain perspective – either that the business is great or that it’s hopeless and the company will have to close. A SWOT analysis helps you take a deep look at your business from a more objective framework so you get a clearer idea of what the business does well and what it struggles with. The SWOT process also forces you to think about the future; not just tomorrow, but next year and the next five years. SWOT helps you craft a longer-term strategy that takes advantages of your company’s natural strengths and opportunities by working with the grain, not against it. A SWOT analysis can be conducted at any time in a company’s existence. However, the best results generally flow from avoiding this process in times of high stress, overwhelming deadlines and financial pressure. Often managers use a piece of paper that’s been divided into four quadrants or a two-by-two table with four cells to track SWOT analysis work. In the left-hand column, jot down strengths and opportunities, such as the helpful categories, and in the column on the right, note weaknesses and threats. An alternative is to create a team of workers at all levels in the firm to prepare the analysis jointly. The team should meet two or more times to share opinions and work to finalize the analysis. A whiteboard can be a more effective tool than individual pieces of paper in team meetings. Owners of IT firms may find the strengths and weaknesses part of the SWOT analysis challenging, since it requires objectivity about your own company, your employees and yourself. To be helpful to your business, however, it’s important to achieve some clarity in this perspective. One way to approach this part of the analysis is to think about what your firm does well, as opposed to assets that it has or owns. Physical assets can be lost or sold, and employees can leave, but core competencies are more fundamental. Additionally, think specifically about skills and strengths that will help the firm achieve its goals. If one goal is to expand into the local business market, look at strengths such as relationships and connections with other local businesses. Opportunities and threats analysis should focus on the world outside your firm; all sorts of external forces can impact an IT firm. What is changing in your business or your local market? Why are those changes taking place, or what is driving them? In evaluating external factors, it’s important to be upfront about your limitations. A certain amount of future-oriented thinking is required in a SWOT analysis. However, there’s too much uncertainty involved in IT to accurately predict the future in detail. To fully realize the benefits of a thorough SWOT analysis, an IT firm should disseminate the conclusions of the analysis to stakeholders, then schedule a follow-up meeting a week or so later. At the follow-up meeting, the goal should be to create a plan to leverage the firm’s strengths and take advantage of any identified opportunities, while simultaneously minimizing weaknesses and avoiding threats. For each opportunity the firm can identify, set specific goals that are aligned with the company's core values and mission. For example, if the firm has the opportunity to sign a contract for services with a large new client, the goals could be centered around creating a value-driven proposal and connecting with that company’s decision-makers.