2- Marketing strategy

SWOT analysis

- It is a popular tool for analyzing the capabilities of an organization in terms of strengths and weaknesses, and for linking identified opportunities and threats to these capabilities.
- SWOT analysis is useful for identifying necessary actions.

1- **The Strengths** relates to those internal operational, managerial, recourse and marketing factors that managers believe provide a strong foundation for their organization's activities and for their ability to compete effectively in the market place.

2- **The weaknesses** are those internal aspects of the organization, its products and activities in the marketplace that place the organization at a disadvantage in Face to face with its competitors and its target customers.

3- **The Opportunities** are those external aspects of the organization, to improve its performance in the environment.

4- **The threats** are those external aspects of the organization that could cause trouble for its business.

Competitive positions

- It is important to understand the nature of competition to determine the marketing strategy.
- As defined by Michael Porter's five competitive forces, competitors should not be viewed only as like-for-like rivals but also, new entrants, substitutes products and services and the bargaining power of suppliers and of buyers can all form competitive threats and opportunities.
- The Porter's Five Forces tool is a simple but powerful tool for understanding where power lies in a business situation.
- Porter's five competitive forces also influence the profitability of firms already in the industry.
- The five competitive forces are;
    1- Rivalry among existing players. The strength of competition in the industry
    2- Threats of new entrants. When new competitors can enter the market if they see that you are making good profits (and then drive your prices down.
    3- Threat of Substitute products or services as a solution to customer's needs or problems.
    Substitutes are different products that give a similar benefit.
    4- Bargaining power of suppliers. The power of suppliers to drive up the prices of inputs.
    5- Bargaining power of buyers. The power of customers to drive down the prices