

# Swot Analysis

## Strengths

1. History. We've been in our town forever. We have the loyalty of customers and vendors. We are local.
2. Relationship selling. We get to know our customers, one by one. Our direct sales force maintains a relationship.

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## Opportunities

1. The Internet. The increasing opportunities of the Internet offer us another area of strength in comparison to the box-on-the-shelf major chain stores. Our customers want more help with the Internet and we are in a better position to give it to them.
2. Service. As our target market needs more service, our competitors are less likely than ever to provide it. Their business model doesn't include service, just selling the boxes.

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## Weaknesses

1. Costs. The chain stores have better economics. Their per-unit costs of selling are quite low. They aren't offering what we offer in terms of knowledgeable selling, but their cost per square foot and per dollar of sales are much lower.
2. Brand power. Take one look at their full-page advertising, in color, in the Sunday paper. We can't match that. We don't have the national name that flows into national advertising.

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## Threats

1. The computer as appliance. Volume buying and selling of computers as products in boxes, supposedly not needing support, training, connectivity services, etc. As people think of the computer in those terms, they think they need our service orientation less.
2. The larger price-oriented store. When they have huge advertisements of low prices in the newspaper, our customers think we are not giving them good value.

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