

# What Is a SWOT Analysis?

**SWOT** stands for:

- **S** - Strengths
- **W** - Weaknesses
- **O** - Opportunities
- **T** - Threats

A SWOT analysis forces you to think about the future. A SWOT analysis lists the good and bad things, both from an internal and external viewpoint. Strengths and weaknesses are internal factors, while opportunities and threats are external factors. Internal factors come from within your ecommerce business while external factors come from the larger environment surrounding your business. Strengths and weaknesses mostly focus on the present, while opportunities and threats mostly focus on the future. What *is* happening versus what *could* happen.

SWOT Factors	Positive	Negative
Internal	Strengths	Weaknesses
External	Opportunities	Threats

Strengths and weaknesses are under your control. It may be difficult, but you can change them over time. Examples include:

- company culture
- reputation
- customer list
- geography
- staff
- partnerships
- intellectual property
- assets

Conversely, opportunities and threats are typically outside of your control. You can try and plan for them or influence a positive change, but at the end of the day, it's not up to you. Examples include:

- regulation
- suppliers
- competitors
- economy
- market size
- trends
- financing
- weather

# 31 SWOT Analysis Questions to Guide You

## Strengths

These are positive, internal factors that affect how your business performs. Although they may be difficult to change, they should be within your control:

- What are we good at?
- What do we do better than anyone else?
- What is our competitive advantage?
- What do we do that no one else does?
- What resources do we have at our disposal?
- What are our ecommerce company's advantages?
- What advantages do our employees have?
- What valuable assets does our company have?
- What do our customers like about our business?

## Weaknesses

These are negative, internal factors that affect how your business performs. Although they may be difficult to change, they should be within your control:

- What are we bad at?
- What do our competitors do better than us?
- What do our customers complain about?
- What disadvantages does our team carry?
- What is holding us back?
- Which resources are we lacking?
- What could we improve?

## **Opportunities**

These are external factors that could affect your business in a positive way. They may be largely out of your control, but you can choose to leverage them:

- What potential regulation changes could help our business?
- Is the market changing in a favorable way?
- Is the current economy going to affect us in a positive way?
- What opportunities have we not pursued yet?
- What new opportunities are becoming available?
- Is our cost of goods going down?
- Is there a way for us to acquire useful resources that we do not already have?

## **Threats**

These are external factors that could affect your business in a negative way. They may be largely out of your control, but you can create a contingency plan to minimize the damage:

- Who are our existing competitors?
- What new entrants to the market could threaten our ecommerce business?
- Is our market size declining?
- Is the industry changing in a way that could negatively impact our business?
- Is our cost of goods increasing?
- Is a supply we rely on becoming scarce?
- Are regulations changing in a way that could hurt our business?
- Is our manufacturer unreliable?