**BUSA 7800 – Lab Session 04: Five Forces (Cont’d) and External Analysis**

**I. Group Project Questions**

Group lab answers are due today before midnight. Upload your answers to the D2L dropbox. Include in your answer sheet your chosen company and the full names of your teammates.

***6. Competitive Analysis – Five Forces Model Cont’d***

1. Force #4 - Threat of Substitute Products or Services - What are some close substitute products for what your company sells? How easy is it to switch to a similar product or service? Do they lock in their customers in any way (loyalty programs)?
2. Force #5 - Rivalry Among Existing Competitors - Who are your major rivals? Is the competition between these rivals fierce or quite low? Explain how you know.
3. Five Forces – Conclusion - Based on your answers above (and on the previous five forces) what can you say about the attractiveness of the industry? Are there sustainable profits in the industry or not? Explain.

***5. External Analysis – The General Environment***

1. Go through each of the six segments of the general environment (demographic/psychographic, sociocultural, political/legal, technological, economic and global). Describe how each of six segments impacts on your start-up organization.
2. For each of the six segments describe how you are going to take advantage of the opportunities and protect your organization from the threats.

**II. Summary Review Questions (page 118) (Practice Only)**

Questions 1 to 3, 5 and 6