

# Unlocking Commercial Potential

Strategic Tools and Insights for Business Growth

▶ *Session 1*

Mike Wilson

# Mike

- ▶ Lecturer at York St John University
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- ▶ Mentor on the Innovation Visa Programme
- ▶ Lead Consultant at Anthem Engagement
- ▶ Chairman of Simply Doughnuts
- ▶ Worked with over 4,000 businesses
  - ▶ Including Social Enterprises
  
- ▶ Hobbies - Music / Cricket / Cycling



# Areas to Cover

- ▶ Commercialisation Strategies
- ▶ Market Analysis
- ▶ Customer Profiling
- ▶ Strategic Planning Techniques
- ▶ Identify commercial opportunities
- ▶ Engaging Stakeholders
- ▶ Create Value for Customers / Beneficiaries

# Take aways

- ▶ Practical Tools, Models, Frameworks
- ▶ Goal Setting
- ▶ Strategic Planning Techniques
- ▶ Performance Measurement
- ▶ Organisational improvement
- ▶ Action Planning
- ▶ Self Assessment Tools

# Potential Topics - to aid commercialisation

- ▶ Planning Tools
  - ▶ Strategic and operational
- ▶ Innovation (How innovative are you?)
- ▶ Ideas Generation
- ▶ Feasibility assessment
- ▶ Developing KPI's
- ▶ Marketing
- ▶ Sales
- ▶ Culture
- ▶ Competition
- ▶ Finance
- ▶ Stakeholders
- ▶ Your People
- ▶ Resource Utilisation
- ▶ Reflective Practice
- ▶ Emotional Intelligence
- ▶ Entrepreneurship
  - ▶ Lean Start Up Methodologies
- ▶ Exiting





## Organisational Choices

- ▶ Carry on doing what you're doing
- ▶ Change something

# What are the signs that change is needed?

- ▶ Declining Social Impact
- ▶ Financial Strain
- ▶ Customer or Beneficiary Feedback
- ▶ Organisational Challenges
- ▶ Changes in the External Environment
- ▶ Growth Stagnation
- ▶ Impact Investor or Stakeholder Feedback
- ▶ Stakeholder Disengagement
- ▶ Inadequate or Obsolete Technology
- ▶ Challenges with Mission Alignment
- ▶ Results of Internal Audits and Evaluations
- ▶ Declining Performance
- ▶ High Employee Turnover or Low Morale
- ▶ Competitive Pressure
- ▶ Inefficient Operations and Processes
- ▶ Poor Communication and Coordination
- ▶ **Anything else?**



# What could you change?

- ▶ Refine /adapt your Impact Strategy - if possible
- ▶ Financial Sustainability - review spending / seek new funding opportunities
- ▶ Build Strong (er) Community Relationships
- ▶ Strengthen Marketing and Brand Awareness
- ▶ Invest in Capacity Building
- ▶ Expand Product and Service Offerings - Commercialisation
- ▶ Increase Operations Efficiency - Workflow
- ▶ Review Supply Chain
- ▶ Strengthen Stakeholder and Investor Relations
- ▶ Improve Customer / Beneficiary Experience and Engagement
- ▶ Review Culture - Mission / Vision / Values
- ▶ Talent Management approach
  
- ▶ **Anything else?**

# What are your current objectives?

Did you set yourself Aims and Objectives for this year?

- ▶ Make more money
  - ▶ Be more efficient
  - ▶ Expand
  - ▶ More sites
  - ▶ More people
  - ▶ Bigger impact
  - ▶ Diversify
  - ▶ Pivot
  - ▶ Survival
  - ▶ Others?
- 
- ▶ Objectives beyond this year?

# How did you arrive at these objectives?

Consider your planning process

- ▶ What were these based on? - trends / changes internally and externally
- ▶ What tools / models / research did you use?
- ▶ Who was involved in setting the goals?

# How are you doing so far this year?

- ▶ Are you on track to meet them - if not what can be done?
- ▶ What are the benefits of hitting your objectives?
- ▶ What will happen if you don't meet them?

# Planning for next year

Has anything changed that will make you think differently about your organisation for next year?

What might be affected?

- ▶ People - *workforce planning for employees / managers / leaders' / volunteers / trustees / the board*
- ▶ Resources - *other than people*
- ▶ Customers / Beneficiaries - *retained and new*
- ▶ Suppliers - *review effectiveness and relationship*
- ▶ Workflow and Operations - *efficient and cost effective*
- ▶ Your Market - *stagnant, growing, changing?*
- ▶ Your Competition - *who are they, strengths and weaknesses, new entrants?*
- ▶ Your Products/Services - *fit for purpose, still in demand, need updating / new*
- ▶ Sales Processes - *efficient and effective, links to marketing activity*
- ▶ Your Stakeholders - *who, their role, engagement*
- ▶ Innovation - *generating new ideas*
- ▶ Technology - *know what's coming and its impact, can you embrace*
- ▶ **AN Other**

**Which of these would be your priority?**

*What are you planning to do to achieve these?*

***Choosing your top 3 or 4***

# What challenges are you currently facing?

- ▶ How do you know?
- ▶ Internal factors?
- ▶ External factors?
- ▶ What do you do to keep informed?
- ▶ Have you got the solutions?

# Challenges could be..... *(internal and external)*

- ▶ Balancing Mission and Income Generation
- ▶ Access to Capital and Funding
- ▶ Market Competition and Awareness
- ▶ Attracting and Retaining Talent
- ▶ Legal and Regulatory Challenges
- ▶ Impact Measurement and Reporting
- ▶ Scaling and Growth Challenges
- ▶ Stakeholder Perception and Trust
- ▶ Building Sustainable Supply Chains
- ▶ Operational Inefficiencies and Limited Resources
- ▶ Developing Partnerships with Others
- ▶ Changing Policy and Economic Environments - The budget and workers rights
- ▶ **Any others?**



# What opportunities are there?



- ▶ Growing Consumer Demand for Ethical Products
- ▶ Access to Impact Investment and Social Financing
- ▶ Supportive Ecosystems and Accelerator Programs
- ▶ Technology for Scaling Impact
- ▶ Corporate Social Responsibility (CSR) Partnerships
- ▶ Government Support and Public-Private Partnerships
- ▶ Opportunity to Address Social and Environmental Gaps
- ▶ Access to Conscious and Skilled Talent
- ▶ Rise of the Circular Economy (recycling)
- ▶ Leveraging Social Media for Storytelling and Brand Building
- ▶ Expansion into New Markets
- ▶ Influencing Policy and Advocacy
- ▶ Exploiting your Reputation
- ▶ Utilising your Networks

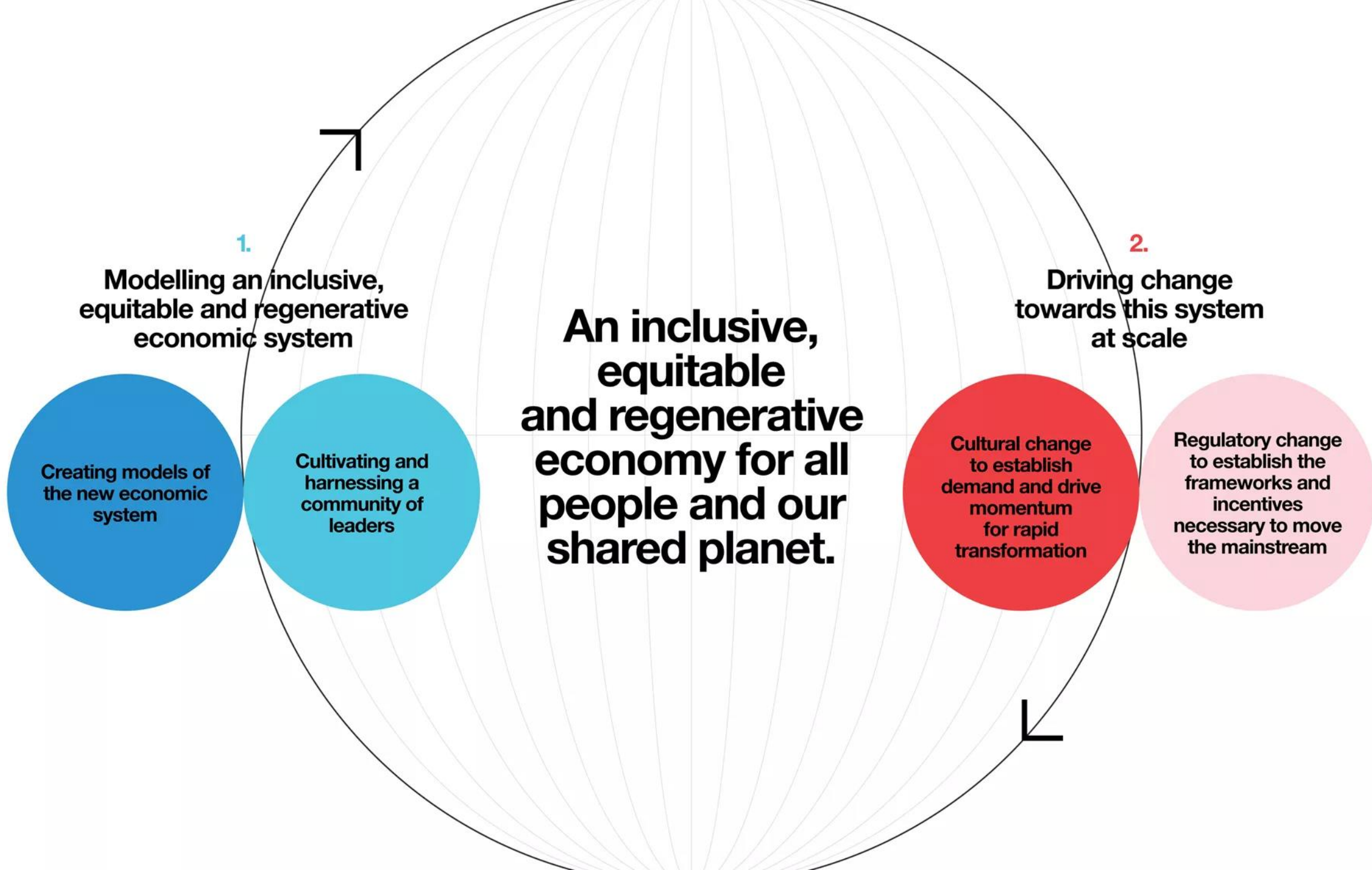
# What are your current opportunities?

- ▶ What are you not doing that you should be?
- ▶ What might you not have discovered yet?
- ▶ How do you identify any growth opportunities?

**B-Corp**



**B Lab is the non-profit  
network  transforming  
the global economy  to  
benefit all people,   
communities  and the  
planet. **



# Five Impact Areas

## Operational Questions

These cover your day-to-day operational policies and practices.

Examples include:

**Governance:** code of ethics, financial information disclosure, whistleblower policy, mission & engagement

**Workers:** career development, health, wellness & safety, tracking satisfaction or engagement

**Environment:** environmental management system, recycling different materials, water and energy usage, air & climate

**Community:** civic engagement & giving, diversity, equity & inclusion, supply chain management

**Customers:** customer feedback or complaint mechanisms, regularly monitoring customer



## Workhouse Creative Agency

Workhouse is an award-winning specialist creative agency with over 30 years' experience in the Built Environment sector. From its bases in the Ribble Valley and Manchester, it serves a global client base including Hempel Group, Crown Paints, Stax Trade Centres and Topps Tiles.

Certified since

August 2023



## WildHearts Group

WildHearts Group is a portfolio of companies that, through their activities and profits, create global social change. Their products and services are tailored to the demands of today's business world, helping organisations from multiple sectors operate efficiently and responsibly. Crucially, all of their customers have one thing in common – the profits from their spend help fund the work of the...

Certified since

April 2019



## Water Babies Group Limited

Since it was co-founded by Paul Thompson in 2002, Water Babies has grown into the world's largest baby swim school, today teaching more than 52,000 babies every week through a network of family businesses across the UK, Ireland, Canada, the Netherlands and China. Water Babies is aimed at families of all shapes, sizes and blends who want to give the children in their lives the best start in...

Certified since

February 2023



# How do you currently generate income?

- ▶ Fund raising strategies
- ▶ Attracting investment
- ▶ Commercial Activity - What do you sell?

*Whilst still maintaining your social mission*





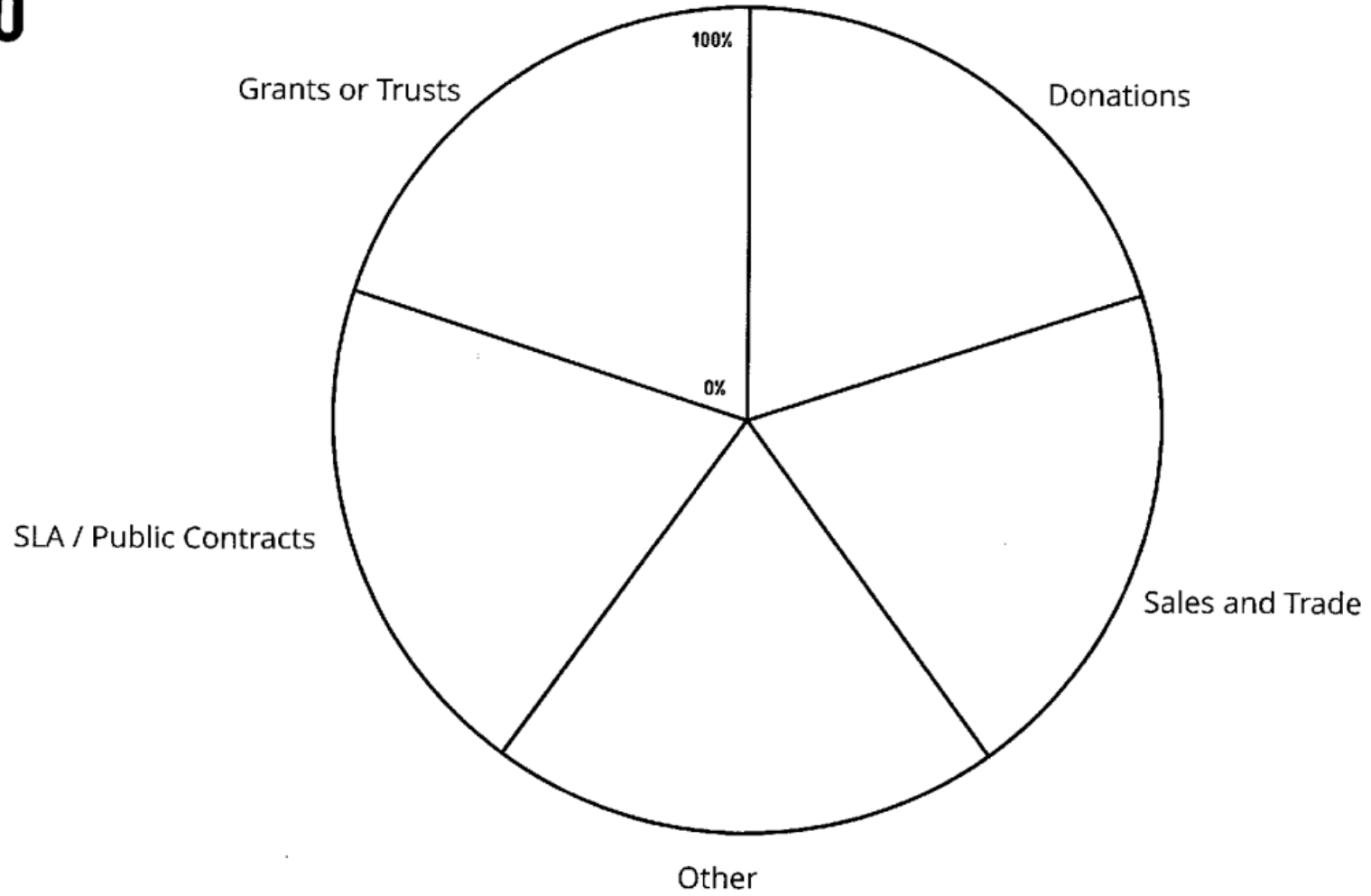
# The Income Spectrum

- ▶ Gifts
- ▶ Grants
- ▶ Contracts
- ▶ Open Market
- ▶ Social investment
- ▶ Investment income

# Other Income Opportunities - Investment

- ▶ Rent from property
- ▶ Dividends
- ▶ Interest on deposits
- ▶ Others (assets)

# WHERE DO WE GET OUR INCOME FROM?



# Commercialization



# Commercial Opportunities

- ▶ Selling products and services to customers / clients
- ▶ The open market includes trading and enterprise activity such as
  - ▶ education,
  - ▶ training,
  - ▶ paid for advice,
  - ▶ selling publications,
  - ▶ retail
- ▶ Trading can directly further the organisations mission or can be purely to generate profit
- ▶ Any surplus income is unrestricted

# Why do you need to be more commercial?

- ▶ What are the key drivers?
- ▶ How commercial do you need to be - % of revenue?
- ▶ What if you don't generate (more) commercial income?
- ▶ How successfully are you already trading? What could you do better?

# The importance of adopting commercial strategies

- ▶ Reduction in other forms of income
- ▶ Maintain and enhance social purpose
- ▶ Financial Stability
- ▶ Scaling
- ▶ Impact
- ▶ Attracting investment
- ▶ Building partnerships
- ▶ Empowering beneficiaries
- ▶ Adapting to market trends
- ▶ Advocacy and influence
- ▶ Job security
- ▶ Growth
- ▶ Success.....
- ▶ **Any others?**

# What assets have you currently got - that you could utilise ?

- ▶ Mission alignment
- ▶ Social Impact Metrics
- ▶ Community Relationships
- ▶ Brand reputation
- ▶ Partnerships and networks
- ▶ Intellectual Property
- ▶ Innovation
- ▶ Your talented People
- ▶ Adaptive / Agile Business Model
- ▶ Access to funding
- ▶ Premises
- ▶ Beneficiaries
- ▶ Volunteers
- ▶ Trustees
- ▶ Stakeholders
- ▶ Machinery / Hardware / Software
- ▶ AI / ChatGPT?

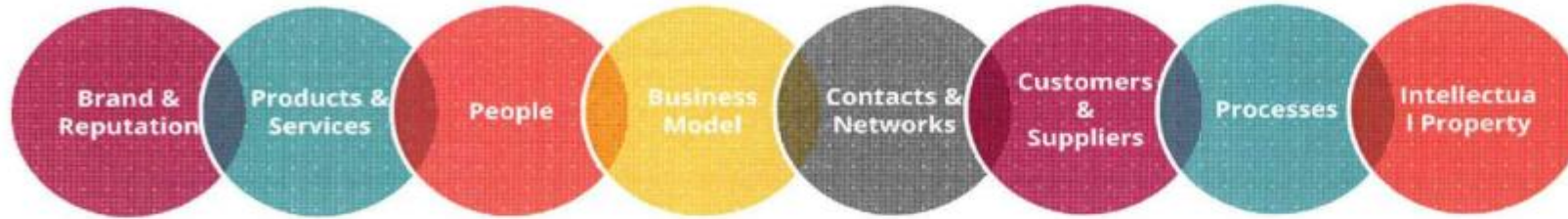


# Your Talented People - Employees / Volunteers / Trustees

- ▶ Skills
- ▶ Knowledge
- ▶ Experience
- ▶ Passions
- ▶ Hobbies
- ▶ Interests
- ▶ Contacts
- ▶ Networks
- ▶ Influence
- ▶ Ambitions

One of the key advantages of forming a partnership is the opportunity to bring the strengths of each organisation together to deliver a particular service or project. Understanding the strengths of your own organisation, as well as the strengths of each of the other partners is critical as is ensuring that these strengths add value and complement, rather than duplicate, each other.

So what do we mean by organisational strengths? The strengths of an organisation are the specific qualities that help you be good at what you do. They underpin your success and as such add considerable value to your organisation.



- **Brand & Reputation:** Do you have a strong track record of success? Do you have a well-established brand? What is your reputation? What does the market say about you?
- **Products & Services:** Are your products and services unusual? Do your products appeal to a wide market? Are your products externally validated and accredited?
- **People:** What skills, knowledge and behaviours do your people possess that is valuable to your organisation? What is special about the people you work with? What reputation do your top people have? What expertise do you have that is valued by your clients?
- **Business Model:** Do you have an unusual business model? Does your structure allow you to perform in a particularly effective way? Does your model offer you access to resources out with your organisational boundaries?
- **Contacts & Networks:** Do you have business relationships that add value to your organisation? Do you have exclusivity over some of these relationships? Do you have a way of working with others that is highly effective? Do your relationships offer you competitive advantage?
- **Customers & Suppliers:** Do others value your knowledge and understanding of your customers and the market? Do you have customers willing to endorse your products? Do your suppliers have a strong brand and reputation? Do your suppliers offer you exclusivity?
- **Processes:** Do you have highly effective processes? Do you have processes that are envied by other organisations? Do you have processes that offer you competitive advantage?
- **Intellectual Property:** Do you own the intellectual property rights for all your products? Have you protected your brands? Do you hold any licenses? Do you offer any licenses?

# Market Analysis - identifying commercial opportunities and gaps

- ▶ Market research
- ▶ **Stakeholder involvement**
- ▶ Analysing trends
- ▶ Problem solving / **idea generation activity**
- ▶ **Gap analysis**
- ▶ Partnership exploration
- ▶ Field observation
- ▶ “Competitor” Analysis
- ▶ What’s happening on Social Media
- ▶ Networking

# Ikigai

A JAPANESE CONCEPT MEANING "A REASON FOR BEING"



# What could affect your Brand Reputation?

- ▶ Product or Service Quality
- ▶ Customer Service
- ▶ Ethical Practices
- ▶ Transparency and Trustworthiness
- ▶ Crisis Management
- ▶ Social Responsibility
- ▶ Online Presence and Reviews
- ▶ Competitive Landscape
- ▶ Media Coverage
- ▶ Employee Behaviour
- ▶ Changes in Leadership
- ▶ Global Events and Trends

**Culture**



Stakeholders

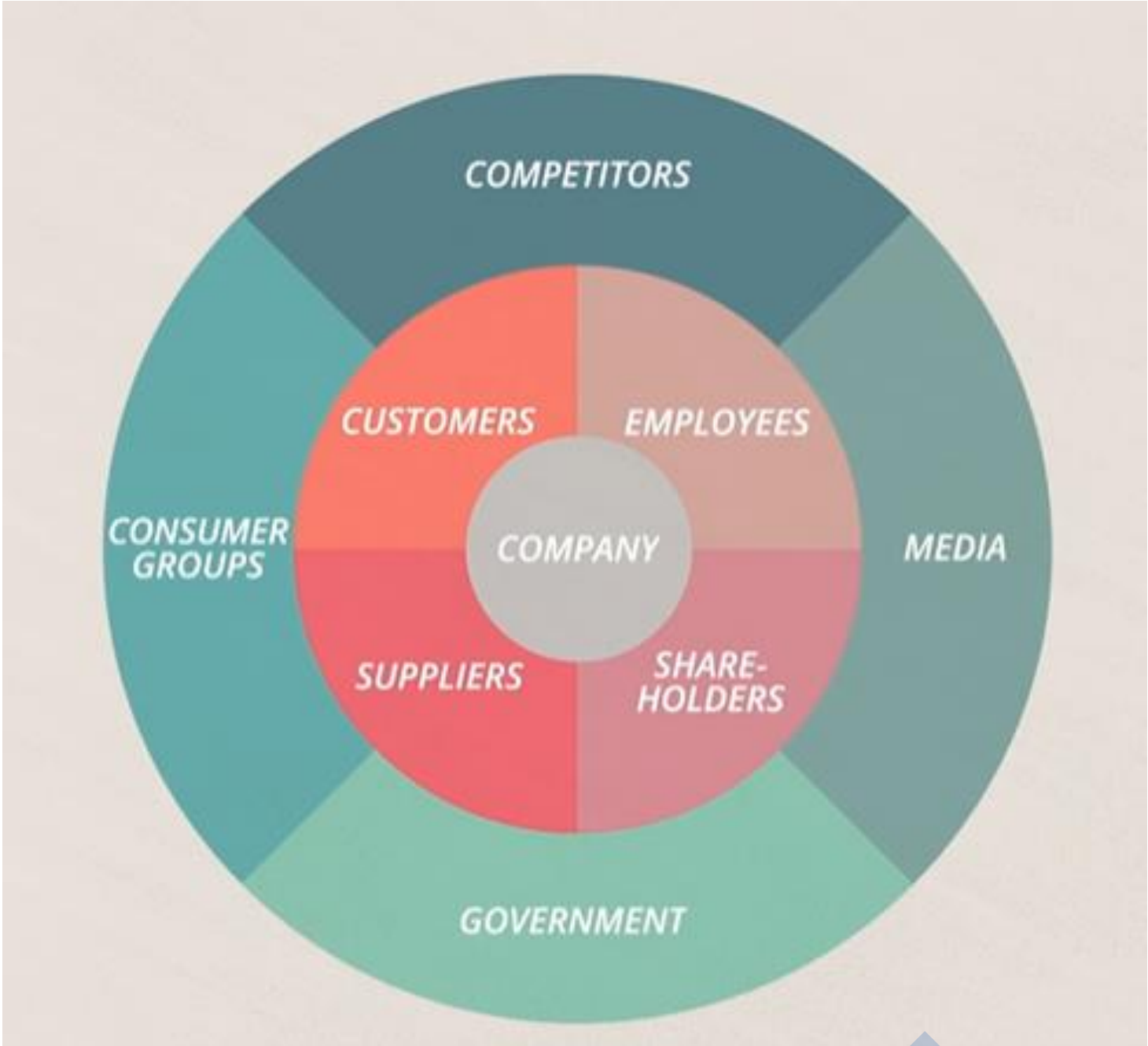


# Stakeholders

*– Institute of Leadership and Management*

A stakeholder is anyone with an interest in an organisation.

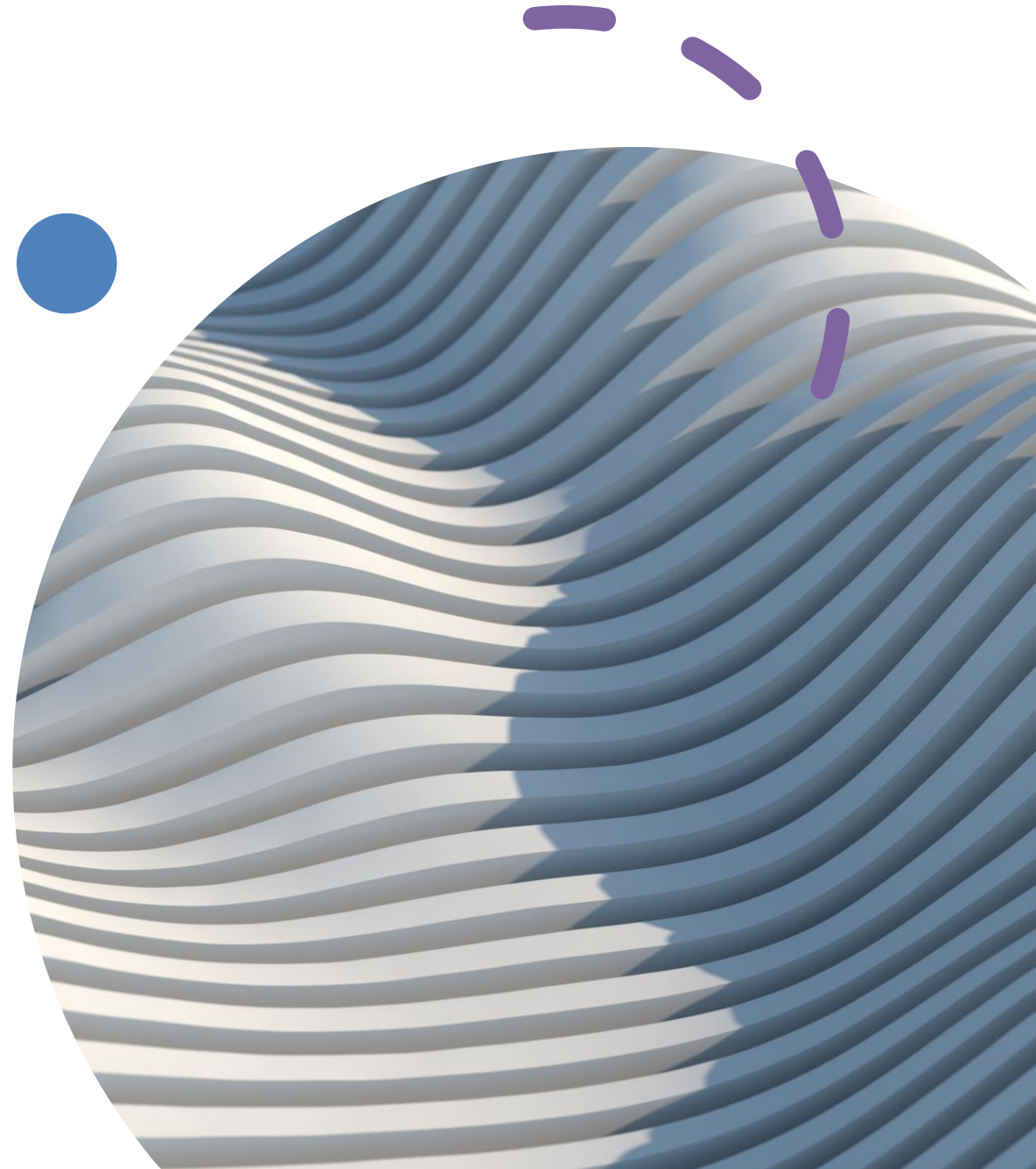
Stakeholders are individuals, groups or organisations that are affected by the activity of the organisation.





**Internal stakeholders** – employees – everyone / customers / suppliers / shareholders / investors

**External stakeholders** – competition / media / government / consumer groups / donors / volunteers / trade associations / regulator bodies – will differ depending on size and sector



# *Stakeholder Management*

- *Identifying*
- *Analysing*
- *Monitoring*
- *Engaging*

**Primary Stakeholders** – those who define the organisation and are vital to its continued existence

- Employees
- Shareholder
- Investors
- Customers
- Suppliers

+



**Secondary Stakeholders** have an indirect impact on the organisation, and still have a stake in how it operates.

They could include

- Central Government
- Local Government
- Legal bodies
- Regulatory bodies
- The media
- Advocacy groups
- Governments can pass legislation
- Legal bodies enforce the regulation
- Media reports on the organisation
- Social groups may pressurise it to act in certain ways

# Stakeholder Interest and Power

## Interest

Interest – the extent to which each stakeholder cares about the aims, objectives and choices

## Power

Power – the extent to which each stakeholder is able to influence the organisation.

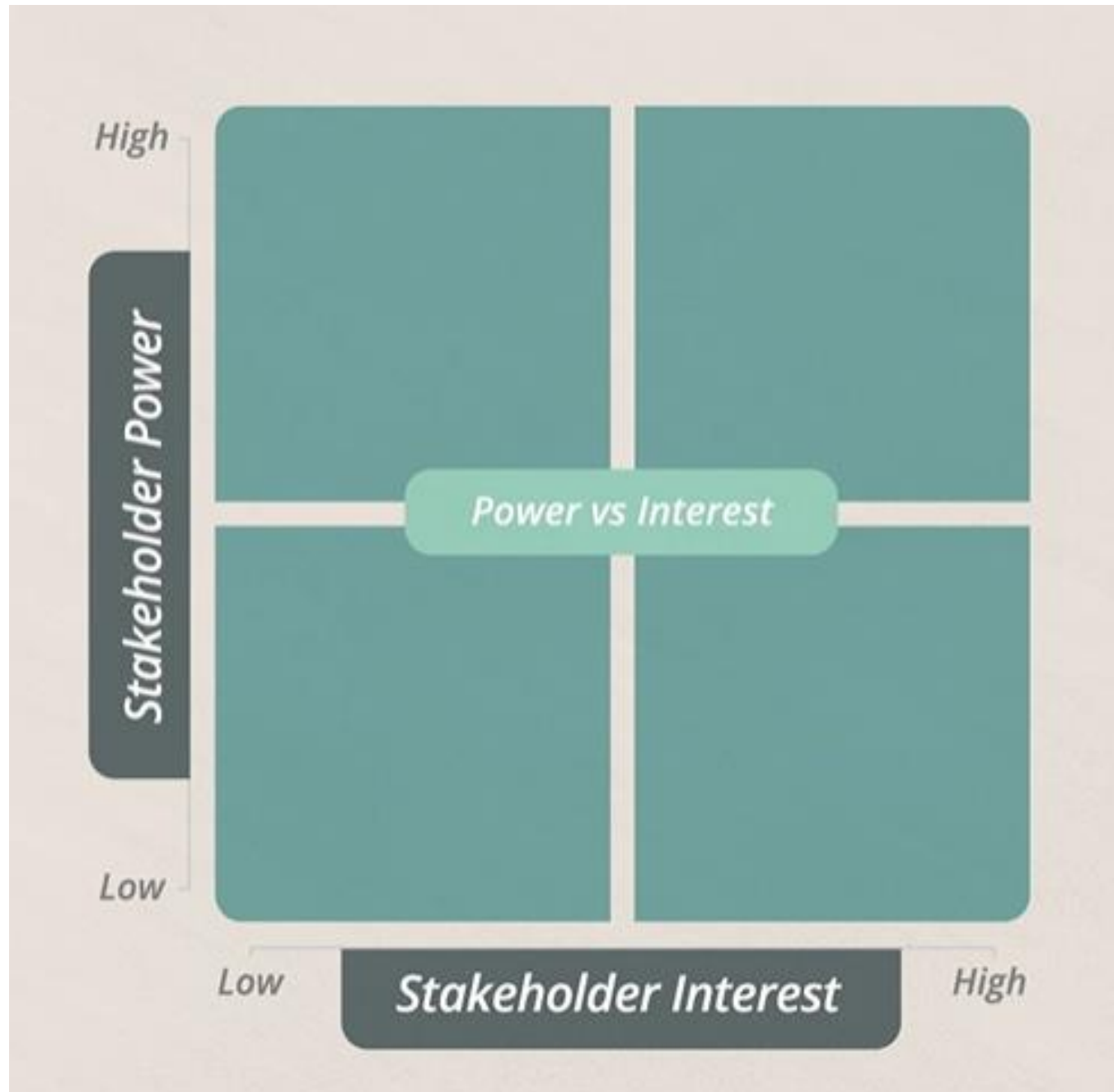
## Influence

Power vs Interest = Stakeholder Influence

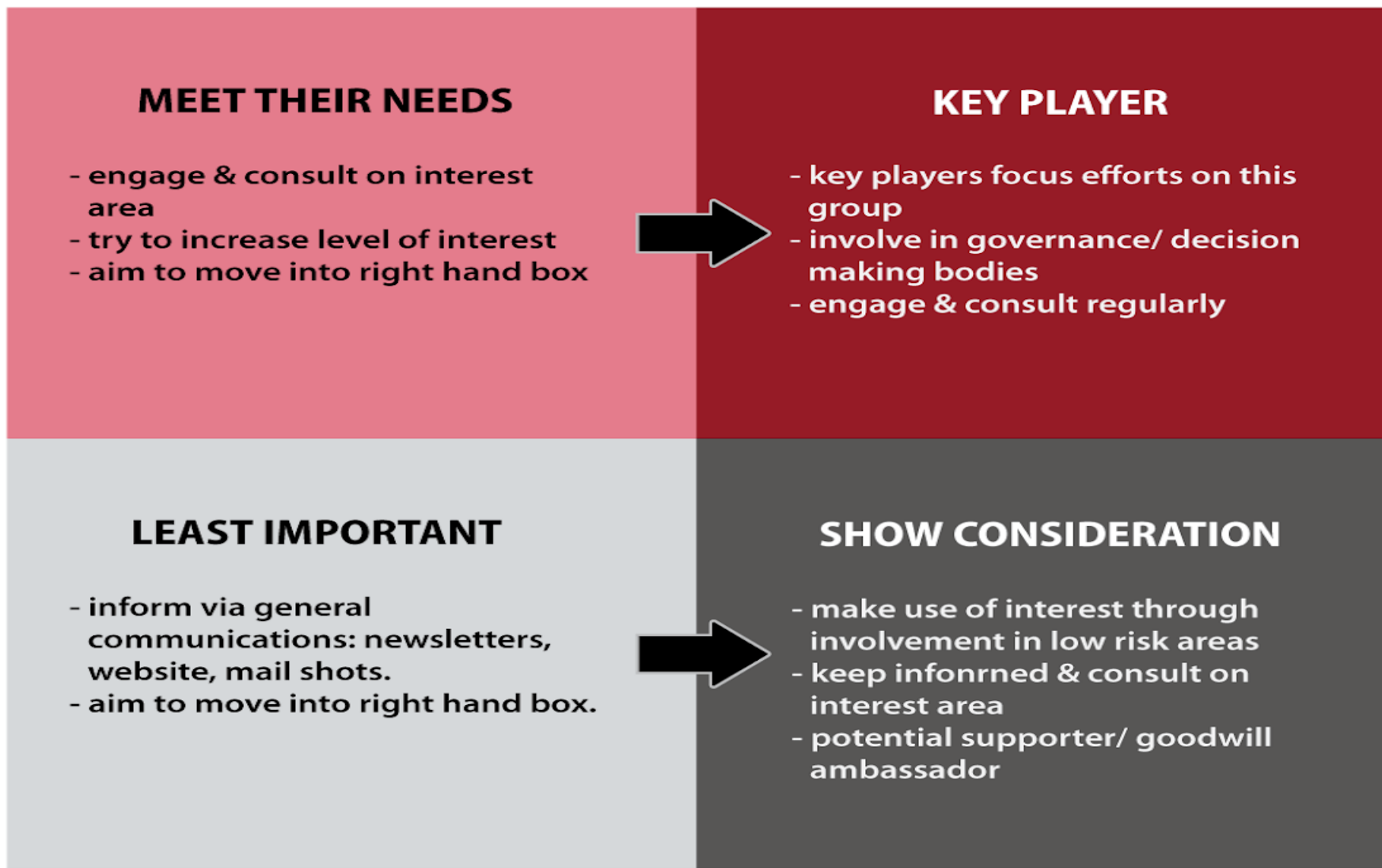
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**Eden and Ackermann -**  
stakeholders mapping

Power v Interest Grid



INFLUENCE/POWER OF STAKEHOLDERS



INTEREST OF STAKEHOLDERS

## **High Power / High Interest – key stakeholders**

- For a public agency these will be government ministers
- For a non-profit – trustees and major donors
- For a business they may be the investors

## **High Interest / Low Power - High interest but limited power to act on it**

- The majority of an organisation's employees. They can gain power by external means just as the government and the courts, or by collective action by joining a trade union
- The residents in the area where the development is to be built. Not much power individual but they do collectively and could lobby their MP



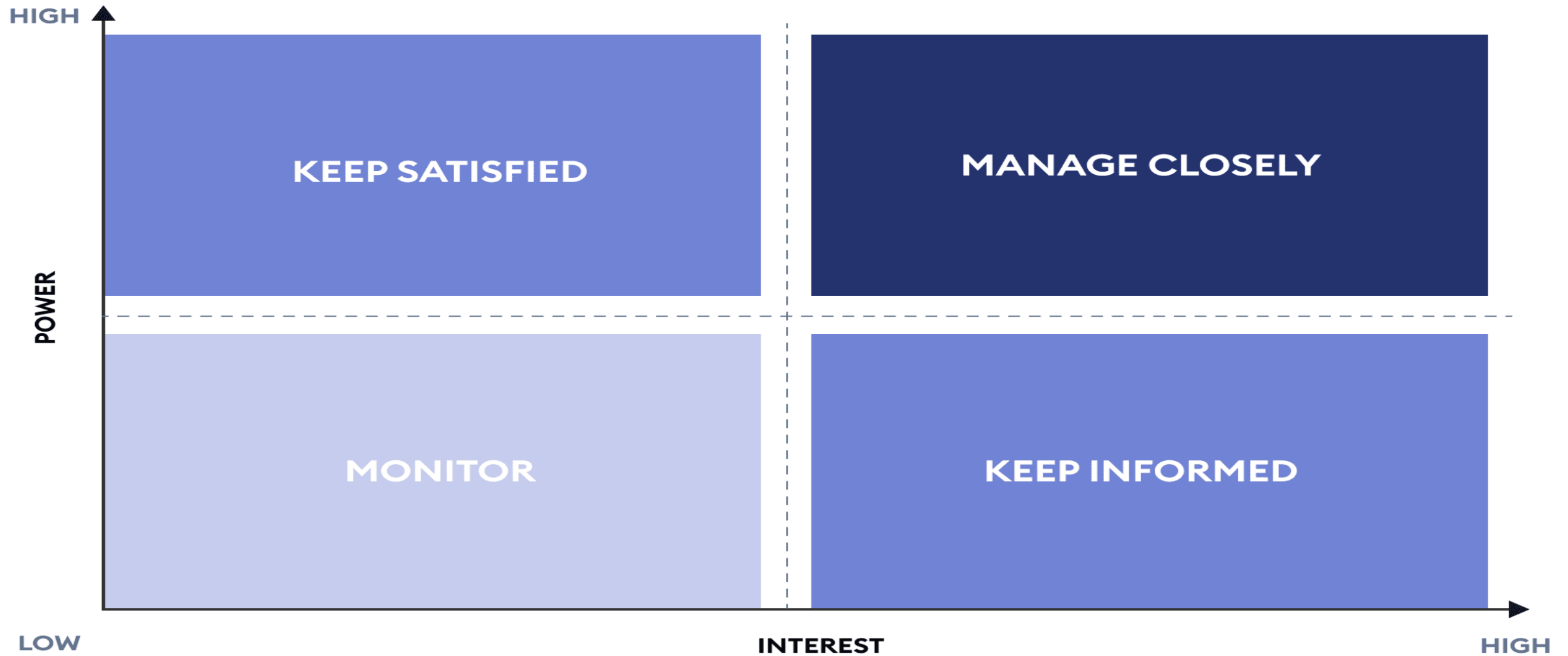
## **Low Interest / High Power**

- Government and professional bodies – they could levy fines.
- Builder will need to get planning permission and respect transport limitations

## **Low Interest / Low Power**

- Less important contractors and potential employees
- Prospective customers of the retail park

# Stakeholder Analysis - Power-Interest Grid



# Stakeholder Mapping

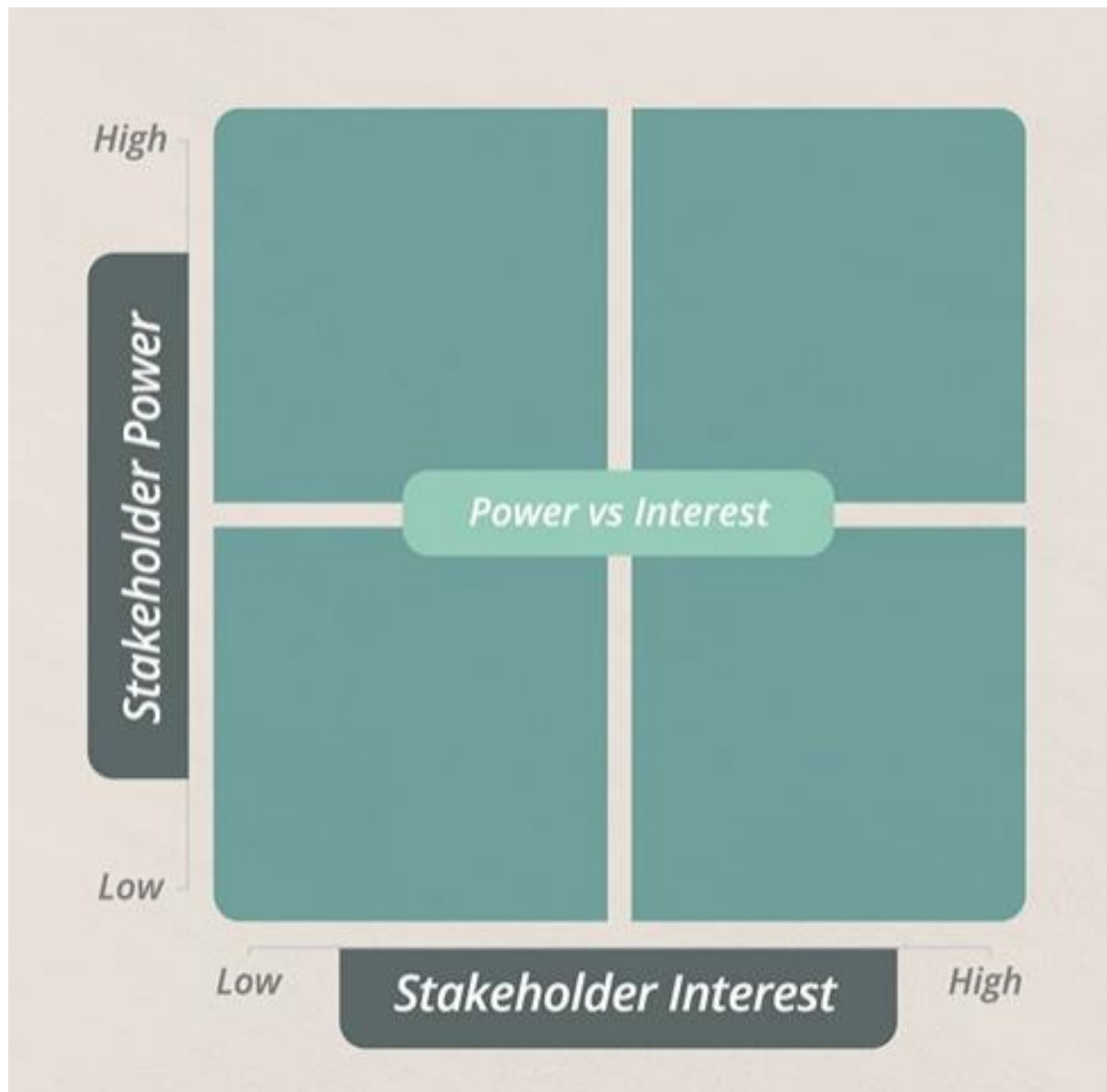
List all your stakeholders

Identify if internal or external

Identify if primary or secondary

How can they help you? How can you help them?

**Undertake survey's - employees, volunteers, beneficiaries, other stakeholders**



# Challenges of Managing Different Stakeholder Groups

## Conflict of interest - example

- A department store has lost profit for the 3<sup>rd</sup> consecutive year
- Sales team not received a bonus for Christmas
- Investors anxious and meet regularly to discuss the future of the business



# Identifying and engaging with stakeholders

## Stakeholders

- ▶ Internal / External
- ▶ Power / Influence
- ▶ Primary / Secondary
- ▶ Communication

Who are your strongest partnerships and collaborations?

# Stakeholder Engagement

Engage with stakeholders, including

- ▶ Potential customers
- ▶ Beneficiaries
- ▶ Community members
- ▶ Industry experts

To gather insights into their challenges, preferences, and unmet needs.

Direct feedback from stakeholders can reveal gaps in the market that social enterprises can address.

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## Krick Framework





# Measuring Stakeholder Relationships

- ▶ Stakeholder Satisfaction Surveys
- ▶ Net Promoter Score (NPS)
- ▶ Engagement Metrics
- ▶ Communication Effectiveness Metrics
- ▶ Quality of Relationships
- ▶ Get Feedback - responsiveness/ value
- ▶ Likelihood of recommending
- ▶ Frequency and depth of interactions
- ▶ Responsiveness / levels of collaboration
- ▶ Shared Goals / trust levels

## Types of Partnership

There are many partnership models available, but one of our favourites is the model developed by Smarter Partnerships.

DEGREE OF PARTNERSHIP	CHARACTERISED BY
<b>CO-EXISTENCE</b>	<p>"You stay on your turf and I'll stay on mine"</p> <p>(May be a rational solution - where clarity is brought to who does what and with whom)</p>
<b>CO-OPERATION</b>	<p>"I'll lend you a hand when my work is done"</p> <p>(Often a pre-requisite of further degrees of partnership, where there is early recognition of mutual benefits and opportunities to work together)</p>
<b>CO-ORDINATION</b>	<p>"We need to adjust what we do to avoid overlap and confusion"</p> <p>(Where the partners accept the need to make some changes to improve services/activities from a user/customer/community perspective and make better use of their own resources)</p>
<b>COLLABORATION</b>	<p>"Let's work on this together"</p> <p>(Where the partners agree to work together on strategies or projects, where each contributes to achieve a shared goal)</p>
<b>CO-OWNERSHIP</b>	<p>"We feel totally responsible"</p> <p>(Where the parties commit themselves wholly to achieving a common vision, making significant changes in what they do and how they do it)</p>

A blue pen with a clear barrel and a blue grip is positioned diagonally across the top left of the image. The background is a document with a bar chart. The chart features several blue bars of varying heights, set against a light blue grid. The overall color palette is dominated by shades of blue and white, with a small orange horizontal bar in the top left corner.

# Business planning

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# SWOT

- A simple 2x2 matrix widely used for basic strategic analysis; convert 60s
- Typically, useful as a **planning tool**. Set out a **goal/objective** (e.g. starting a new business), and then apply matrix.
- Splits organisation into **internal** (within organisational boundaries); and **external** (beyond boundaries). Characterise attributes as either **helpful, or harmful**.
- Can be used to match and convert: **match opportunities** to strengths; try to **convert threats** into opportunities or weaknesses into strengths.
- If you cannot convert your weaknesses/threats, you need to **minimise or avoid** them.

# SWOT ANALYSIS





# Starbucks Strategic SWOT

Our objective is to look ahead to 2020 and look at our strategic position

## Strengths

- High quality of products and service
- Internationally known, strong, valuable brands
- Store locations capable of drawing evening crowd
- Strong relationships with Suppliers, low risk of non-delievery
- Efficiency and effectiveness in supply chain

+ 6

## Weaknesses

- Health effects of consuming Starbucks products
- Future growth is increasingly dependent on Int'l segment
- Dependent on US operating segment (75% of rev in 2010)
- Natural disasters largely affect supply
- Dependent on relationships with suppliers

+ 5

## Opportunities

- Leverage Starbucks brand even more outside store base
- Global Consumers Product Group (VIA, Seattle's Best)
- Expand international operating segment
- Product innovation and new growth platforms
- Future growth is increasingly dependent on Int'l segment

+ 5

## Threats

- New health studies on impact of sugar
- Large number of competitors in specialty coffee business
- Supply and price of coffee is subject to significant volatility
- Economic conditions in US might decrease customer spending
- Minimum wage hikes decrease profitability and lower supply

+ 5

# SWOT ANALYSIS TEMPLATE

## STRENGTHS

- What do we do well?
- What do our customers say we do well?
- What is our unique selling proposition?
- Do we have strong brand awareness? Customer loyalty?
- Supplier, distributor, influencer relationships?
- What proprietary or unique assets do we have?
- What skills do we have that our competitors don't?
- Strong capital?
- Do our profit margins compare to industry benchmarks?

## WEAKNESSES

- Where can we improve?
- What do our customers frequently complain about?
- Which objections are hard to address?
- Are we new or not well known?
- Do we have any limitations in distribution?
- Are our resources and equipment outdated or old?
- Are we lacking in staff, skills, or training?
- Do we suffer from cash flow problems? Debt?
- Are our profit margins smaller than industry benchmarks?

## OPPORTUNITIES

- Do our competitors have any weaknesses we could benefit from?
- Target market growing or shifting in our favor?
- Is there an untapped pain point or niche market?
- Are there upcoming events we could benefit from?
- Are there geographic expansion opportunities?
- Are there potential new sources of financing?
- Industry or economic trends that could benefit us?
- Social or political trends that could benefit us?
- Any new technology that could benefit us?

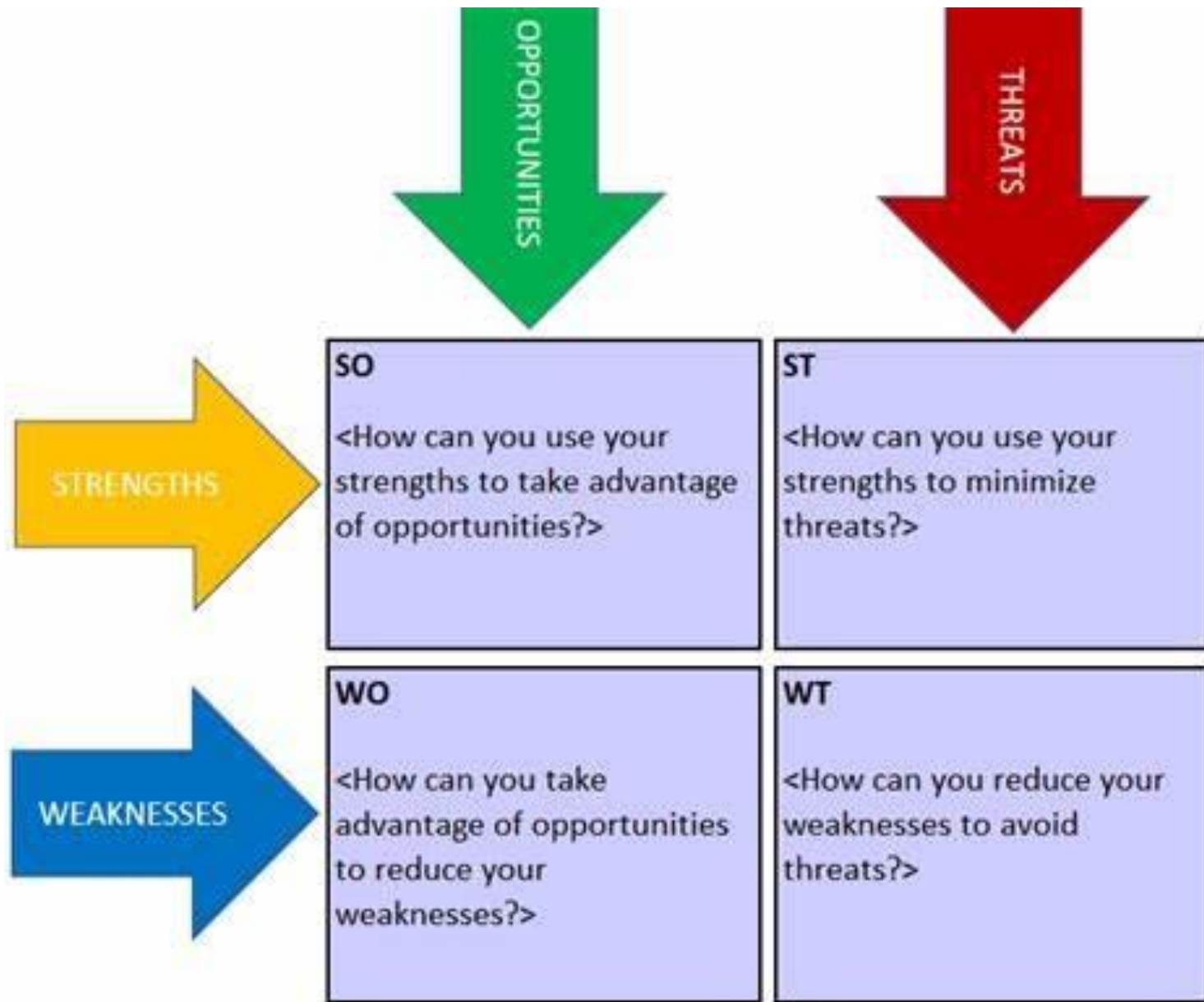
## THREATS

- New competitors or expansion in existing competitors?
- Is our target market shrinking or shifting?
- Could any indirect competitors become direct competitors?
- Industry or economic trends that could work against us?
- Social or political trends that could work against us?
- Any new technology that could work against us?



# TOWS Matrix

- TOWS addresses the critiques of SWOT analysis by turning the “lists” of SWOT into actionable strategic actions.
- TOWS ***starts with SWOT*** – you cannot perform TOWS analysis without creating a SWOT analysis first!
- A TOWS matrix provides four strategic directions:
  1. Maxi-maxi (or SO): combining your strengths with opportunities you have identified to exploit them
  2. Maxi-mini (or ST): applying your strengths to mitigate threats you have identified
  3. Mini-maxi (or WO): offsetting weaknesses by finding ways to exploit new opportunities
  4. Mini-mini (or WT): strategies that avoid your weaknesses and minimize the impact of threats.



<p><b>The organisation</b></p>	<p><b>Strengths – S</b></p> <ol style="list-style-type: none"> <li>Existing brand</li> <li>Existing customer base</li> <li>Existing distribution</li> </ol>	<p><b>Weaknesses – W</b></p> <ol style="list-style-type: none"> <li>Brand perception</li> <li>Intermediary use</li> <li>Technology/skills</li> <li>X-channel support</li> </ol>
<p><b>Opportunities – O</b></p> <ol style="list-style-type: none"> <li>Cross-selling</li> <li>New markets</li> <li>New services</li> <li>Alliances/Co-branding</li> </ol>	<p><b>SO strategies</b></p> <p>Leverage strengths to maximise opportunities = <b>Attacking strategy</b></p>	<p><b>WO strategies</b></p> <p>Counter weaknesses through exploiting opportunities = <b>Build strengths for attacking strategy</b></p>
<p><b>Threats – T</b></p> <ol style="list-style-type: none"> <li>Customer choice</li> <li>New entrants</li> <li>New competitive products</li> <li>Channel conflicts</li> </ol>	<p><b>ST strategies</b></p> <p>Leverage strengths to minimise threats = <b>Defensive strategy</b></p>	<p><b>WT strategies</b></p> <p>Counter weaknesses and threats = <b>Build strengths for defensive strategy</b></p>

<b>TOWS</b>	<b>Strengths (S):</b> <ul style="list-style-type: none"> <li>• Strong local brand</li> <li>• Loyal customer base</li> <li>• Open 7 days per week</li> </ul>	<b>Weaknesses (W):</b> <ul style="list-style-type: none"> <li>• Need to recruit an additional DO</li> <li>• Need to get extra Optom cover</li> </ul>
<b>Opportunities (O):</b> <ul style="list-style-type: none"> <li>• Agreement with local employer to provide eye examinations and glasses to employees exclusively</li> <li>• Include more eco-friendly frame brands in the frame range</li> </ul>	<b>Strengths/Opportunities (SO):</b> <ul style="list-style-type: none"> <li>• Opening times can be extended to include a late night to capture people who can't come in during the working day.</li> <li>• Appeal to a new demographic with the eco-friendly offer</li> </ul>	<b>Weaknesses/Opportunities (WO):</b> <ul style="list-style-type: none"> <li>• Offer flexible working to attract professional staff who cannot work 9-5</li> <li>• Train a DO by identifying a team member who is enthusiastic about developing and capable</li> </ul>
<b>Threats (T):</b> <ul style="list-style-type: none"> <li>• Utility costs are high</li> <li>• Local parking charges are increasing</li> </ul>	<b>Strengths/Threats (ST):</b> <ul style="list-style-type: none"> <li>• Promote Sunday opening when car parking in town is free of charge.</li> <li>• Investigate alternative suppliers of utilities before current agreements come up for renewal</li> </ul>	<b>Weaknesses/Threats (WT):</b> <ul style="list-style-type: none"> <li>• Promote the current professional team via your website and marketing</li> <li>• Promote career opportunities with your business</li> </ul>

## Example TOWS Matrix for an automobile vendor

	<b>Strengths:</b> <ul style="list-style-type: none"> <li>• Large customer base</li> <li>• Great location</li> </ul>	<b>Weaknesses:</b> <ul style="list-style-type: none"> <li>• Limited product range</li> <li>• Increasing competitive challenge</li> </ul>
<b>Opportunities:</b> <ul style="list-style-type: none"> <li>• Ban on combustion engine vehicles from 2035</li> <li>• Growing demand for hybrid/electric vehicles</li> <li>• Advances in technology</li> </ul>	<b>SO:</b> <ul style="list-style-type: none"> <li>• Leverage customer base to capture growing electric vehicle market</li> <li>• Promote environmental benefits of electric vehicles to align with growing demand</li> </ul>	<b>WO:</b> <ul style="list-style-type: none"> <li>• Diversify product range by finding innovative electric product lines</li> <li>• Create marketing materials focused on cutting edge new technologies to attract customers</li> </ul>
<b>Threats:</b> <ul style="list-style-type: none"> <li>• Intensifying competition from electric vehicle manufacturers</li> <li>• Regulatory changes; more stringent emissions regulations</li> <li>• Customer skepticism about electric vehicles.</li> </ul>	<b>ST:</b> <ul style="list-style-type: none"> <li>• Create loyalty scheme to build customer loyalty</li> <li>• Proactively adapt to changing regulations through stocking more eco-friendly product lines</li> </ul>	<b>WT:</b> <ul style="list-style-type: none"> <li>• Diversify product lines to address increasing competition</li> <li>• Sponsor awareness campaign to highlight benefits of electric vehicles to address skepticism</li> </ul>

**INTERNAL  
FACTORS  
(IFAS)**

**EXTERNAL  
FACTORS  
(EFAS)**

**STRENGTHS (S)**

- S1. Multi-distribution strategy
- S2. High customer engagement
- S3. Celebrity Endorsements
- S4. Growing Cross Fit Demand

**WEAKNESSES (W)**

- W1. Excessive Commercialisation
- W2. Low Market Share
- W3. Single product line
- W4. No further development

**OPPORTUNITIES (O)**

- O1. Niche Markets
- O2. Target Groups
- O3. Untapped markets
- O4. Emerging markets

**S/O STRATEGIES**

- S1,O1)** Invest into designing new shoes for different fields of sport and fashion to increase market coverage
- S4,O2)** Cross fit shoes are among the highest demanded shoes manufactured by Reebok.

**W/O STRATEGIES**

- W2,O3)** Investing into untapped markets will increase brand value and increase market share.
- W4,O4)** Focus on developing on products to cater for upcoming markets

**THREATS (T)**

- T1. Competitors
- T2. Counterfeits/replicas in secondary market.
- T3. Targets only focus groups

**S/T STRATEGIES**

- S3,T1)** use celebrities to win over customers from competitors.
- S2,T2)** having customer engagement can reduce sales of fake goods

**W/T STRATEGIES**

- W3,T1)** improve current appeal to create a single product line to take competitors out the market.
- W4,T2)** counterfeit products decrease the brand image and product through commercialisation.



**See you in a couple of weeks**