Situation Analysis template

Assessment 3 Part 1 Situation Analysis Template

- Student name
- Student ID

Chosen topic – In one sentence outline which topic you have chosen.

E.g. – This Situation analysis is about the a new chocolate café in Canberra – Topic 4

Introduction

Provide an overview of the Situation Analysis. No more than ¼ page. No marks are allocated to this section but this will help you to focus your work.

Consider the following:

- The purpose of this situation analysis. (e.g. It is about the dental industry/travelling industry in Canberra.)
- Important aspects of the situation analysis such as competitors in your chosen location (E.g. Belconnen, Gungahlin) and identified market segment.

Industry Overview

Provide an overview of the industry:

- Size (turnover, employees numbers)
- Growth (per year)
- What are the factors of success in this industry (access to resources such as capital or labour, understanding of customer needs, technology, patents etc)

Good source of information include MINT database, consultancy reports on industries from

KPMG, PWC, Accenture, Ernst and Young, BCG,Forrester, Gartner, industry associations

Journals and Magazines- eg. RetailWorld, B&T and government department (productivity commission, Departments of industry, tourism, innovation

Government website such as www.australia.gov.au and www.abs.gov.au.

Factors of uncontrollable environment

PESTEL analysis: Analysing uncontrollable factors that impact on the industry including political force, economic force, sociocultural force, technological force, and legal force.

- **Political forces (page 55-56)**

Examine the relevant political forces affecting or potentially affecting the organisation. Political factors require considerations of political stability, government policy, trade agreements, and taxation arrangement. The specific political forces most relevant to your organisation will vary depending on if your business is domestic or international in nature.

- **Economic forces (page 57)**

Describe the macro-environmental economic forces that influence the organisation and the market. For example, you may discuss the impact of interest rates, economic growth, consumer confidence, income levels, saving levels, the availability of credit, unemployment levels and exchange rate. These are suggested considerations. You may choose factors that are relevant to your industry to discuss.

- **Sociocultural forces (page 57)**

Describe the sociocultural force in the organisation’s market. Social and cultural forces that may influence the organisation include religion, subcultures, multiculturalism, beliefs, attitudes and population trends. Organisations operating internationally may face various sociocultural forces in each of their country-specific markets.

- **Technological forces (page 58)**

Consider how technology can be used to offer better value to customers. This should include an examination of how technology may support innovation across various aspects of the marketing mix. Technological change offers significant opportunities and threats and should be examined based on research evidence.

- **Environmental forces (page 58 – 59)**

Consider how ecological and environmental factors such as weather, climate, and climate change could possibly impact on your business.

- **Legal forces (page 59)**

Identify legal and regulatory forces that govern many aspects of an organisation. Legal force include legislation in place locally such as the Trade Practices Act as well as international conventions and agreements.

Competitor analysis (page 52-53)

Examine the micro-environmental competition factors including the type of competition (e.g. pure, monopolistic, oligopoly, monopoly, and monopsony) and competition at each level (e.g. total budget, generic, product, and brand). You need to exam the major competition in the industry in Australia wide and competition situation in ACT based on your research evidence.

1. Who are your competitors?
2. Are they direct competitors or indirect competitors?
3. What are their market shares and growth trends?
4. How are they different or similar to your business in terms of operation and marketing mix?
5. What are their competitive advantages?
6. What is your competitive advantage compared to major/direct competitors? (E.g. access to finance resources, skilled employees, location, and so on.)
7. How effective is your competitive advantage? You may discuss the following aspects:

- Service quality, positioning, resources, location, and growth potential.

Customer/Client analysis (Chapter 6)

Discuss your chosen target segment in ACT based on your understanding of the competition. Describe the needs and wants of the organisation's actual and potential customers/clients. This should include current needs and wants, customer preferences, possible changes to needs and wants and the extent to which the organisation can influence customer preferences.

- How will you segment the market? (Consider using a combination of segmentation variables such as demographic, lifestyle and behavioural segmentation.)
- Single target market or multiple target market?
- How large is the target market? ABS quick stats is helpful in quantifying the size of your target market.
- Demographic and/lifestyle changes
- Where are they located? (use ABS data)

It is important that the description of the target market/segment is as specific as possible.

For example, if it has been determined that the target market is urban 25-30-year-old single males, this needs to be what is stated, as opposed to a more general description such as 'young single men'. You need specify the size of the target market such as how many 25-30-year-old single males are in Belconnen based on ABS data.

Information on how to effectively segment markets is introduced in Chapter 6.

SWOT analysis (page 67-69)

Strengths	**Weaknesses**
The organisation's favourable internal characteristics such as competitive advantages and core competencies. Remember, strengths are the factors that the organisation can directly influence.	Attributes of the organisation that hinder it in trying to achieve its objectives. These are unfavourable internal characteristics. Remember, the weaknesses are factors that the organisation can directly influence.
Opportunities	**Threats**
External factors that are potentially favourable to the organisation. Opportunities are external to the organisation and are not directly controllable by the organisation.	External factors that are potentially unfavourable to the organisation. Threats are not directly controllable by the organisation.

Reference list

Full in-text reference and reference list are required. You may use APA or Harvard referencing style.

Last modified: Friday, 28 October 2016, 9:33 AM

YOU ARE LOGGED IN AS FAHAD ALSUWAIDI (LOG OUT)

University of Canberra, ACT 2601 Australia, Switchboard +61 2 6201 5111, © University of Canberra
The University of Canberra is located on Ngunnawal Country

CRICOS number: University of Canberra/University of Canberra College #00212K.