

SWOT Analysis for a Small Business

Introduction

In the world of business analysis and strategic planning, SWOT analysis—an acronym for Strengths, Weaknesses, Opportunities, and Threats—is a widely used tool. Understanding the lexis, or vocabulary, associated with SWOT analysis is essential for effectively communicating insights, identifying key business factors, and formulating strategies.

The lexis of SWOT analysis includes terminology such as competitive advantage, core competencies, market trends, risk management, resource allocation, and value proposition. These terms help articulate a business's internal capabilities and external conditions. For instance, phrases like “strong brand identity” or “limited scalability” reflect strengths and weaknesses, while terms like “emerging markets” or “regulatory pressure” describe opportunities and threats.

Mastering this language is important because it:

- Enables clearer strategic discussions within teams and stakeholders.
- Supports the creation of more effective business plans.
- Enhances the ability to analyze competitors and adapt to market shifts.
- Fosters better problem-solving and decision-making.

In sum, a strong command of SWOT-related lexis allows business professionals to interpret and act on analytical findings with precision and confidence—vital for growth and sustainability in any competitive environment.

SWOT stands for:

Strengths (Internal, Positive)

- Unique products/services
- Loyal customer base
- Strong local brand recognition
- Skilled or experienced staff
- Competitive pricing
- Strong cash flow or low debt

Weaknesses (Internal, Negative)

- Limited marketing reach
- Small team or skill gaps
- Dependence on a few clients or vendors
- Outdated technology or processes
- Inconsistent quality or service
- Limited capital for growth

Opportunities (External, Positive)

- Emerging market trends or niches
- Digital marketing and e-commerce expansion
- Community partnerships or collaborations
- Growing local economy or population
- New product lines or service offerings
- Government grants or incentives

Threats (External, Negative)

- Stronger or larger competitors
- Changing regulations or taxes
- Economic downturns
- Supply chain disruptions
- Technological shifts making products/services obsolete
- Negative online reviews or reputation damage

Worksheet

Task 1. Match the Words with Definitions

Term	Definition
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1. Competitive Advantage	A. Resources and skills that give a business an edge
2. Core Competencies	B. The unique value a company offers to its customers
3. Risk Management	C. The process of identifying and minimizing potential losses
4. Market Trends	D. Changes and patterns in consumer behavior and industry
5. Value Proposition	E. A condition that puts a business ahead of competitors

task 2. Complete the sentences using the correct SWOT-related term from the box:

Terms: (core competencies, value proposition, market trends, competitive advantage, risk management)

- The company's _____ include its skilled workforce and efficient production process.
- Understanding _____ helps businesses anticipate customer needs.
- Our _____ lies in our ability to deliver faster service than any competitor.
- The business's _____ is based on providing affordable luxury.
- Implementing strong _____ practices protects the company from financial loss.