

PORTER'S INDUSTRY FORCES AND RELATED DIMENSIONS

- THREAT OF NEW ENTRANTS
(AND ENTRY BARRIERS)**
- Absolute Cost Advantages
 - Proprietary Learning Curve
 - Access to Inputs
 - Government Policy
 - Economies of Scale
 - Capital Requirements
 - Brand Identity
 - Switching Costs
 - Access to Distribution
 - Expected Retaliation
 - Proprietary Products

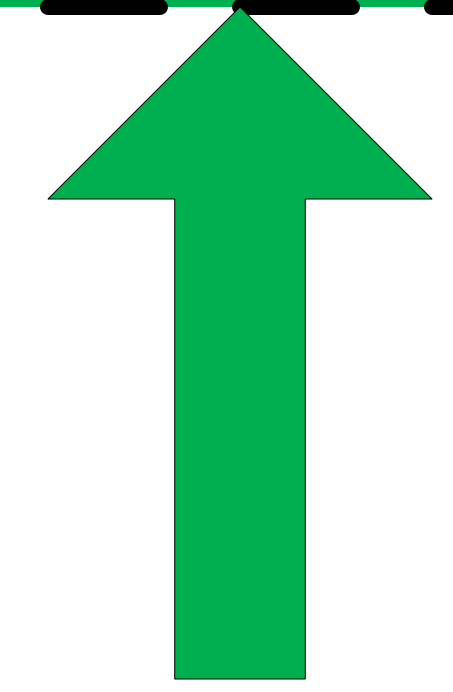
- SUPPLIER POWER**
- Supplier Concentration
 - Importance of Volume to Supplier
 - Differentiation of Inputs
 - Impact of Inputs on Cost or Differentiation
 - Switching Costs of Firms in the Industry
 - Presence of Substitute Inputs
 - Threat of Forward Integration
 - Cost Relative to Total Purchases in Industry

- DEGREE OF RIVALRY**
- Exit Barriers
 - Industry Concentration
 - Fixed Costs/Value Added
 - Industry Growth
 - Intermittent Overcapacity
 - Product Differences
 - Switching Costs
 - Brand Identity
 - Diversity of Rivals
 - Corporate Stakes

- BUYER POWER (CHANNEL AND END CONSUMER)**
- Bargaining Leverage
 - Buyer Volume
 - Buyer Information
 - Brand Identity
 - Price Sensitivity
 - Threat of Backward Integration
 - Differentiation
 - Buyer Concentration Vs. Industry
 - Substitutes Available
 - Buyer's Incentives
 - Switching Costs
 - Cost Relative to Total Industry Purchases

- THREAT OF SUBSTITUTES**
- Switching Costs
 - Buyer Inclination to Substitute
 - Price-Performance Tradeoff of Substitutes
 - Variety of Substitutes
 - Necessity of Product, Service, or Program

- COMPLEMENTORS**
- Number of Complements
 - Relative Value Added
 - Barriers to Complement Entry
 - Difficulty Engaging Complements
 - Buyer Perception of Complements
 - Complement Exclusivity



INDUSTRY VALUE CHAIN – from Raw Materials and Other Inputs through Supply Chain through Industry through Distribution Channel to End Consumer

SECONDARY ADAPTION SOURCE: Carpenter, Mason A. and Sanders, William Gerard. *Strategic Management: a Dynamic Perspective Concepts and Cases*, Second Edition. Upper Saddle River: Pearson Prentice Hall, 2009.

PRIMARY ADAPTION SOURCE: Porter, Michael E.. *Competitive Strategy: Techniques for Analyzing Industries and Competitors*. Free Press (1980).