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E-Content BCH-601 : Business Policy

Lecture 37

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Threats

- **Competition from Facebook**

The advent of Social Media has seriously threatened Google's dominance in the internet world and the company has to pull an ace to deal with the increasing features available on Facebook and Twitter.
- **Mobile Computing**

Another threat to Google is from the emerging area of mobile computing that threatens to pass the company by as newer companies seize the opportunity to ramp up their mobile computing presence.

Generating Alternative Strategies by Using a TOWS Matrix

- Thus far we have discussed how a firm uses SWOT analysis to assess its situation. SWOT can
- also be used to generate a number of possible alternative strategies. The TOWS Matrix
- (TOWS is just another way of saying SWOT) illustrates how the external opportunities and
- threats facing a particular corporation can be matched with that company's internal strengths
- and weaknesses to result in four sets of possible strategic alternatives. (See Figure 6-3.) This
- is a good way to use brainstorming to create alternative strategies that might not otherwise be
- considered. It forces strategic managers to create various kinds of growth as well as

FIGURE 6-3
TOWS Matrix

<p>EXTERNAL FACTORS (EFAS)</p>	<p>INTERNAL FACTORS (IFAS)</p> <p>Strengths (S) List 5 – 10 <i>internal</i> strengths here</p>	<p>Weaknesses (W) List 5 – 10 <i>internal</i> weaknesses here</p>
<p>Opportunities (O) List 5 – 10 <i>external</i> opportunities here</p>	<p>SO Strategies Generate strategies here that use strengths to take advantage of opportunities</p>	<p>WO Strategies Generate strategies here that take advantage of opportunities by overcoming weaknesses</p>
<p>Threats (T) List 5 – 10 <i>external</i> threats here</p>	<p>ST Strategies Generate strategies here that use strengths to avoid threats</p>	<p>WT Strategies Generate strategies here that minimize weaknesses and avoid threats</p>

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SOURCE: Reprinted from Long-Range Planning, Vol. 15, No. 2, 1982, Wehrich "The TOWS Matrix—A Tool For Situational Analysis," p. 60. Copyright © 1982 with permission of Elsevier.