

The Porter's Five Forces Template

The intensity of the competitive landscape

The largest determiner in how competitive a sector is overall. It relates specifically to the behavior of other competitors within a particular market.

Exit barriers	
Concentration ratio	
Number of competitors	
Diversity of rivals	
Brand identity	
Switching costs	
Industry growth	
Customer loyalty	
Fixed costs/value added	
Product differences	

Access to the market for new entrants

The likelihood that new companies will attempt to establish within the market based on the # entry/exit barriers.

Economies of scale	
Capital requirements	
Government policy	
Time and cost of entry	
Cost advantages	
Expected retaliation	
Specialist knowledge	
Access to distribution	
Technology protection	

Level of supplier power

This can include raw materials, labor, components, and more. One factor in supplier bargaining power is the number of alternative suppliers.

- Differentiation of inputs
- Switching costs of suppliers and firms
- Presence of substitute inputs
- Supplier concentration
- Importance of volume to supplier
- Uniqueness of service

Buyer's entry/exit costs

The ability of your customers to put the business under pressure. These include the bargaining leverage of buyers, substitute product availability, as well as buyer price sensitivity.

- Bargaining leverage
- Buyer volume
- Buyer information
- Buyer switching costs relative to firm
- Price sensitivity
- Ability to substitute
- Buyer concentration vs. industry
- Price of purchase

The threat of substitute products

The likelihood that an alternative product or service will enter the market.

- Buyer inclination to substitutes
- Switching costs
- Relative price-performance