**Industry Research Using Porter’s 5 Forces**

**Instruction Activity**:

Discuss one or all five forces to help students locate industry information using business databases and/or websites. This activity may be conducted on the individual level or in teams.

**Pre-Activity**: Ask participants to identify industry name and/or [NAICS code](https://www.census.gov/cgi-bin/sssd/naics/naicsrch?chart=2017).

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| **Activity #1: Competition in the Industry** | |
| ***Discussion***: | What information would you gather to learn more about your company’s competitors?  ***Example***: List of competitors, competitors’ financials, market share, product differences, brand identity, industry growth, etc. |
| ***Recommended Research Approach***: | * Use Mergent Online to create competitor list. * Use Business Source Complete and/or ABI/INFORM Collection to locate company profiles (includes information on competitors). * Use IBISWorld to learn about competition concentration. |

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| **Activity #2: Threat of New Entry** | |
| ***Discussion***: | What threats do new companies face in entering your industry?  ***Example***: Economies of scale, strong brand identities, high switching costs, capital requirements, government policy, etc. |
| ***Recommended Research Approach***: | * Use Business Insights: Global to locate industry essays and market share reports. * Use IBISWorld to locate the barriers to entry and operating conditions. |

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| **Activity #3: Threat of Substitutes** | |
| ***Discussion***: | What product or service may substitute your company’s current product or service?  ***Example***: Uber as substitute to traditional taxi services |
| ***Recommended Research Approach***: | * Form key words to search news articles and trade publications (Business Source Complete and/or ABI/INFORM Collection) |

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| **Activity #4: Power of Suppliers** | |
| ***Discussion***: | How do you determine the power of a supplier?  ***Example***: Supplier concentration, lack of supplier competition, switching costs, uniqueness of process and/or material, etc. |
| ***Recommended Research Approach***: | * Use the company’s (public) investor relations page to identify its suppliers. * Use IBISWorld to identify the industry supply chain. |

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| **Activity #5: Power of Buyers** | |
| ***Discussion***: | How do you determine the power of the buyers?  ***Example***: Buyer concentration, buyer switching costs, brand loyalty, availability of substitutes, etc. |
| ***Recommended Research Approach***: | * Form key words to search news articles and trade publications (Business Source Complete and/or ABI/INFORM Collection) |

**\*\*Note**: MarketLine Industry Profiles in Business Source Complete includes Porter’s 5 Forces Analysis