PORTER'S 5 FORCES

Potential New Entry

Required capital investments
Basic intellectual property
Specialized knowledge or experience
Economics of scale

Buyers

Cost of switching to a new supplier
Information available to buyers
Materiality of the product to the purchaser
Buyers' price sensitivity

Substitutes

The relative prices of potential substitutes
Easy to switch
Consumer inertia
Switching cost

Suppliers

Employee solidarity
Strength of distribution channels
Availability of commercial products
Influence of the delivered goods on the cost

Competitive Rivalry

A large number of firms
Exit barriers
High fixed costs
Low customer loyalty
Slow market growth