1. **SWOT Analysis Matrix for US-31 Carwash**

A business needs to carry out a thorough analysis of its strengths, weaknesses, possible opportunities and possible threats before commencing operations (Sulihin& Melinda, 2016). The assessment allows the business to realize areas tit can work on to achieve profitability and the areas to avoid when engaging in business.

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| **Strengths*** The carwash will be the first major player in the industry, in the area
* The US-31 carwash has a better location than the other upcoming major players such as Wal-Mart, Home Depot and Costco
* The automatic bays the business proposes to provide meets with the needs of the consumers
* The founding team is comprised of two elite, having studied business administration.
 | **Weaknesses*** The business idea is spreading among business people and may not grab as much market share as intended
* The business is a prototype in the industry and is exposed to various challenges
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| **Threats*** The big companies venturing into the industry could grab a larger section of the market share because of the fame they already thrive in
* The continuing entrance into the carwash business by other people,and other companies
 | **Opportunities*** The carwash boasts of a strategic location with a high flow of potential consumers
* There is a gap in the distance between the potential location of the carwash and the next carwash which is 8.2 miles away
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1. **Porter’s Five Analysis for US-31 Carwash**

Porter’s Five Forces Analysis is a model that is applied by businesses to evaluate their chances of gaining a competitive advantage in their industry (Dobbs, 2014). US-31 Porter’s Five Forces Analysis analyses the possibilities of prospering in the carwash industry.

**The Supplier Power**

The carwash business’s major suppliers are the water and cleaning agents’ providers as well as the machinery providers. The water and cleaning agents’ suppliers can change their pricing, but it is rarely to the extent that a business cannot adjust to it. The machinery providers also can change their pricing, but the machines are a one -time purchase, a cost that can be replaced through operations at the business.

**Buyer Power**

The buyer power is limited at the US-31because of the unique services being offered there. The buyer is being offered better cleaning services for their vehicles than they have been given in other local car washes.

**Competitive Rivalry**

The business presents unique opportunities among the small scale carwash business. It does not face any competition currently, and although there are businesses of the same kind that are sprouting up, it still brags of first entry into the market.

**The Threat of Substitution**

The business has no current threat of substitution. However, the industry is opening up for more businesses of the same kind, which should keep US-31 on their business toes. Risk of new entry: For US-31, the threat of new entry into the business is very high because the carwash business is very lucrative and is also welcoming new listings.

1. **Possible Leveraging of the Strengths and Weaknesses**

One of the possible ways to leverage the business is to use strong marketing skills to capture the consumers between the business and the next carwash.

The second option is to capitalize on the strategic location and offer the best services so that they attract and retain customers.

The business administration expertise possessed by the owners should be put to practice articulately to ensure the growth of the businesses.

1. **Minimizing the Threats and Weaknesses**

To compete with the big companies entering the industry, US-31 should offer less pricing for its consumers.

The business should strive to offer competitive services as well as promotional bonuses for their clients to keep them.

The business should focus on a lower profit margin to start with to capture more consumers. Once they have won consumer loyalty, they can raise their prices gradually.

**Preferred Options**

I would reduce the pricing of quality services to capture a larger market share and also indulge in proper marketing strategies to capture the attention of new consumers.

**Investing in the Business**

As a potential investor, I would invest in the business because, from the SWOT analysis, the strengths outweigh the weaknesses. Similarly, Porter’s five analysis proves the business to be more profitable than it is likely to fail.

**References:**

Dobbs, M. E. (2014). Guidelines for applying Porter's five forces framework: a set of industry analysis templates. *Competitiveness Review*.

Sulihin, I. P., & Melinda, T. (2016). Business Strategies on Business to Business in Order to Increase Turnover in the Company's Service Delivery UD. XYZ.