

Threat of New Entrants	
Barriers to Entry:	
• Economies of scale	• Proprietary product differences
• Brand identity	• Switching costs
• Capital requirement	• Access to distribution
• Government policies	• Expected retaliation

Bargaining Power of Suppliers
Determinants of Supplier Power:
• Differentiation of inputs
• Switching costs of suppliers and firms in the industry
• Impact of inputs on cost or differentiation
• Threat of backward integration by firms in the industry
• Rivalry Determinants: Industry growth

Bargaining Power of Buyers,	
Determinants of Buyer Power:	
Bargaining Leverage:	Price Sensitivity:
• Buyer concentration versus firm concentration	• Product differences
• Buyer switching costs relative to firm switching costs	• Brand identity impact on quality/performance
• Ability to backward integrate	• Buyer profits
• Buyer volume	• Decision makers' incentives
• Buyer information	
• Substitute products	
• Pull-through	

Competitive Rivalry among Existing Firms	
Rivalry Determinants:	
• Number of competitors	• Diversity of competitors
• Relative size of competitors	• Industry growth rate
• Fixed costs vs. variable costs	• Product differentiation
• Exit barriers	• Strategic stakes

Threat of Substitute Products or Services
Determinants of Substitute Threats:
• Relative price performance of substitutes
• Switching costs
• Buyers' propensity to substitute

