Porter’s Five Forces Analysis

**Threat of New Entrants**

Very High High

Low Very Low

Company: **\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Threat of Substitution**

Very High High

Low Very Low

**Supplier Power**

Very High High

Low Very Low

**Buyer Power**

Very High High

Low Very Low

Porter’s Five Forces Analysis

Threat of New Entrants

There are no significant barriers to entry to the cereal market.

**Very High** High

Low Very Low

*Example*: **AJ’s Cereal Co.**

Threat of Substitution

* Other breakfast foods.
* Not having breakfast.
* Drinking coffee.

**Very High** High

Low Very Low

**Buyer Power**

People need food, but can skip breakfast and are price sensitive to foods like cereal and often look for discounts and bargains.

Very High **High**

Low Very Low

**Supplier Power**

Ingredients to make and package cereal are all commodities.

Very High High

Low **Very Low**