

## **SIMPLE DEMO: VALUE CHAIN, FIVE FORCES AND PEST**

### **UMBRELLA ANALYSIS (LEVEL 0)**

Use a model (Five Forces, PEST or any of the very many others) to look at the organisation as a whole.

### **DEEPER INSIGHTS (LEVEL 1)**

Use a decomposition model to break up the major organisational domains. A chain model, such as the value chain, is appropriate (in yellow).

Then use a model to analyse each domain.

### **FIVE FORCES (LEVEL 1)**

For example, use Five Forces to conduct a simple competitor analysis of input logistics (in green).

### **PEST (LEVEL 1)**

Or use simple PEST to conduct a macro impact on service (in blue).

### **EXAMPLE**

Looking at the impact of technology on service (blue):

O2, the UK telecoms company, uses text messages to inform customers of the exact delivery stages and schedule of their order, which goes a long way to satisfying the RATER criteria for service delivery. Whilst common in the UK telecoms industry, this is not common in our industry (e.g. US publishing) and could be used to gain competitive advantage.

Software at <http://www.va1ue-chain.com/>