

Analyzing the competitive advantages and disadvantages of Germany with the TOWS Matrix-an alternative to Porter's Model

Analyzing the competitive advantages and disadvantages of Germany with the TOWS Matrix - an alternative to Porter's Model

Heinz Wehrich (Professor of Global Management and Behavioral Science, University of San Francisco, California, USA)

European Business Review

ISSN: 0955-534X

Publication date: 1 February 1999

Abstract

This article will describe a logical and efficient process of developing coherent national strategies in light of environmental forces that are present in the global market. It will then apply that process to the Federal Republic of Germany. The TOWS (threats, opportunities, weaknesses, strengths) Matrix will be used to accomplish this task. The TOWS methodology will focus on aspects of German industries that have had a significant impact - either positively or negatively - on the country's economy and its position in the European Community and the world. Intrinsic national forces in the social, economic, political, and technological areas will be considered in determining the origin of Germany's national industrial strengths and weaknesses. External opportunities for and threats to these industries will then be analyzed. After an analysis of a wide array of forces, strategies by German industries will be delineated and alternative industrial strategies will be proposed. Because former West Germany differs very much from former East Germany, the analysis will focus on what used to be called "West Germany", referred to in this paper simply as Germany.

Keywords

Competitive advantage Germany Industrial performance International trade

Citation

Wehrich, H. (1999), "Analyzing the competitive advantages and disadvantages of Germany with the TOWS Matrix - an alternative to Porter's Model", *European Business Review*, Vol. 99 No. 1, pp. 9-22. <https://doi.org/10.1108/09555349910251822>

[Download as .RIS](#)

Publisher: MCB UP Ltd

Copyright © 1999, MCB UP Limited

To read the full version of this content please select one of the options below

You may be able to access this content by logging in via Shibboleth, Open Athens or with your Emerald Account.

To rent this content from Deepdyve, please click the button.

If you think you should have access to this content, click the button to contact our support team.



© 2020 Emerald Publishing Limited

Herangezogen wird die TOWS Matrix. Anwendungsbeispiel ist die Volksrepublik China. This is a preview of subscription content, log in to check access. Cite this chapter as: Wehrich H. (2000) Analyzing the Competitive Advantages and Disadvantages of China with the Tows Matrix — An Alternative to Porter's Model. In: Berndt R. (eds) Innovatives Management. Herausforderungen an das Management (Schriftenreihe der Graduate School of Business Administration Zürich), vol 7. Springer, Berlin, Heidelberg. https://doi.org/10.1007/978-3-642-57009-4_11. Porter's national competitive advantage theory does explain why a particular country is more competitive in a particular industry. National Competitive Advantage Theory of International Trade – Porters Diamond Model. It is a fact that Porter (1990) never focused primarily on the factors determining the pattern of trade, yet his theory of national competitive advantage does explain why a particular country is more competitive in a particular industry. If, for example, Italy maintains competitive advantage in the production of ceramic tiles and Switzerland possesses the competitive advantage in watches, it can be interpreted that the former will export ceramic tiles and the latter will export watches and both of them will i The Porter Diamond is a model that attempts to explain the competitive advantage some nations or groups have due to certain factors available to them. The Porter Diamond suggests that countries can create new factor advantages for themselves, such

country or region inherently possesses, such as land, location, natural resources, labor, and population size as the primary determinants in a country's competitive economic advantage. Porter's Diamond model helps analyzing why some nations are more competitive than others, and why some industries within nations are more competitive. This will provide advantages and disadvantages for particular industries. Typical corporate objectives in relation to patterns of commitment among workforce are of special importance. They are heavily influenced by structures of ownership and control. According to Porter, governments can foster such advantages by ensuring high expectations of product performance, safety or environmental standards, or encouraging vertical co-operation between suppliers and buyers on a domestic level etc. By Dagmar Recklies. — More books from Michael Porter. Porter's Five Forces Framework is a method for analyzing competition of a business. It draws from industrial organization (IO) economics to derive five forces that determine the competitive intensity and, therefore, the attractiveness (or lack thereof) of an industry in terms of its profitability. An "unattractive" industry is one in which the effect of these five forces reduces overall profitability. The most unattractive industry would be one approaching "pure competition", in which available