

SWOT ANALYSIS

Internal Analysis

Strengths

Social

- **Strong customer relationships and loyalty:** With a small, tight knit team, MH Outdoor understands the importance of community, which motivates them to foster a community with their clients. MH Outdoor values their relationships with their clients, creating a strong sense of customer loyalty to the company. Better prices compared to competitors (economic): Compared to our common competitor, Lamar, MH Outdoor's pricing is substantially cheaper, and offers the same services as competitors. Our lower pricing and quality of care for our clients makes MH Outdoor a strong contender in the billboard industry
- **Customer availability:** With a small team, MH Outdoor is committed to having immediate answers and solutions for customers and clients, compared to other competitors.
- **College town demographics:** Having Auburn University creates a consistent, renewable audience of 30,000+ students plus faculty/staff and visiting parents, making MH Outdoor's billboard locations valuable for businesses targeting the college demographic.
- **Extensive client portfolio spanning multiple Southern states:** While MH Outdoor is a small company, they have a deep understanding of their community, strong connections with businesses across the south. MH Outdoor provides better insights into consumer behavior, but also honors their close-knit relationships with clients as a small business.

Economic

- **Better prices compared to competitors:** Compared to our common competitor, Lamar, MH Outdoor's pricing is substantially cheaper, and offers the same services as competitors. Our lower pricing and quality of care for our clients makes MH Outdoor a strong contender in the billboard industry

Weaknesses

Economic

- **Unclear Marketing Budget:** MH Outdoor mainly relies on word of mouth for business, which limits its growth. To expand their reach, they would need to create a marketing strategy and allocate a budget for it. They currently set their funding quarterly, but there is no specific marketing budget at this time. A clear budget would help them make better marketing investments and plan strategically
- **Operational and Staffing Challenges:** The company hires independent contractors for maintenance tasks such as fixing lights and changing vinyl, but finding reliable help has been tough. They tried hiring a few people, but it didn't work out because they focused on one person for all the tasks. Now, the company has a small group of contractors instead of full-time employees.
- **Vegetation and Visibility Issues:** A significant challenge in operations is ensuring that billboards are visible. Trees and plants often block the view, leading to the need for regular maintenance. However, regulations and property restrictions complicate these maintenance efforts.

Technological

- **Outdated Social Media Presence:** MH Outdoor hasn't focused on its social media, with the last post from 2017. The company knows it needs to enhance its online presence but hasn't taken significant steps to revamp its strategy. This reduces brand awareness and limits engagement with potential clients.
- **Difficulty Measuring Advertising Effectiveness:** Billboards, like other media, make it hard to measure return on investment (ROI). The company uses client demand and renewal rates to gauge success but lacks a clear method to assess effectiveness. This complicates proving value to potential advertisers.
- **Limited Digital Marketing Efforts:** MH Outdoor uses social media and its website to market itself, but its presence is weak. Without a dedicated marketing strategy, its brand awareness is limited.

External Analysis

Opportunities

Political

- **Networking and Community Engagement:** Joining the Auburn Chamber of Commerce would offer a strategic opportunity for networking and building relationships within the community. This opportunity would enhance brand visibility and create potential partnerships with local businesses, especially since no other billboard companies are members.

Social

- **Targeting New Markets and Industries:** reaching the hospital or emergency care sector with innovative advertising solutions like displaying real-time wait times, meets a social

demand for convenience and differentiation from competitors. This approach can effectively engage audiences who want timely and relevant information.

- **Comprehensive Advertising Solutions:** promoting billboards as complementary to digital marketing appeals to the evolving social trends and behaviors in media consumption. This integrated approach would maximize impressions and brand awareness, which would attract clients looking for more modernized and innovative marketing solutions.

Economic

- **Economic Growth and Industry Demand:** expanding marketing efforts to high-demand and stable industries who already use billboards like law firms, HVAC companies, Buc-ee's, and funeral homes brings new economic opportunities. Diversifying revenue sources by targeting similar industries supports sustainable growth and market penetration

Technological

- **Expansion of Digital Advertising:** Creating digital billboards, programmatic advertising and other online content would allow for expanded revenue opportunities and potentially improved targeting. Using vacant billboards for specific digital content could optimize technological advancements for advertising.

Threats

Political

- **Strict Regulations & Zoning Laws:** Billboard placement is heavily regulated, with varying laws across states and counties. Navigating these restrictions can make expansion and new placements challenging.

Economic

- **Rising Construction Costs:** While sales have remained strong, the cost of building new billboard structures has significantly increased due to rising metal prices, potentially impacting future growth and profitability.
- **Difficulty in Finding Skilled Contractors:** MH Outdoor relies on independent contractors for tasks like fixing lights and changing vinyl, but finding reliable workers has been a challenge, potentially leading to maintenance delays.
- **Ongoing Competition from Industry Giants:** Major competitors like Lamar and Adams have larger market share, brand recognition, and financial resources, making it difficult for MH Outdoor to expand in certain areas.

Technological & Social

- **Competition from Digital Marketing:** Businesses are increasingly shifting their ad budgets toward digital marketing platforms like social media and Google Ads, which could reduce demand for traditional outdoor advertising over time.