

SWOT Analysis: Honest Tea

Given the Honest Tea Business Plan for 1999, the following SWOT analysis is made to determine Honest Tea's primary approach to execute a strategy for growth.

Strengths • Infrastructure strengthening by hiring experiences Sales managers • Market branding through celebrities and news media leading to well recognized public relations firm • Leader in socially responsible business movements; Social Responsibility is central to company's identity • Product is branded as a healthy cultural experience using actual tea leaves • Proprietary production process to meet HACCP and Circle U certifications • Company's culture is sustained through the management of Honest Tea's founders	Opportunities • Explosive growth in Ready-to-Drink (RTD) tea and bottled water markets • The emergence of tea culture in the United States • The natural foods boom & rise of Cultural Creatives: large market of health-conscious diet soda drinkers • Distribution to 10 supermarket chains with over 900 outlets, East Coast • Popularity in a variety of food service and retail accounts, North East Coast • Numerous natural food brokers to represent product for the East Coast, Midwest, West Coast and the South • Tea is the world's second most popular beverage
Weaknesses • Initial costly product development phase • Not as well-financed or as well-established as competition • Relies on opportunistic ways to gain public attention and promote trial of the product • Management team is one level deep	Threats • Unforeseen health-related issue might hurt brand • TeJava • Malibu Teaz • The Republic of Tea • Tazo • Other entrants into the new beverage category of natural & authentic tea beverage business