

Understanding the Broad Industry Group

- An **industry** is a group of companies that are related based on their primary business activities
- For Example there is Automobile Industry, Steel Industry, Cement Industry etc.
- Each Industry has it's own advantages and disadvantages
- Profitability, Competition and barriers to Entry and Exit for each Industry vary

- An Entrepreneur must have a broad understanding of these Industry groups
- He must obtain all the data relating to the Industry in which he operates or intend to operate
- He must look for his existing Competitors as well as the potential Competitors.