



PESTEL Analysis





P

POLITICAL

E

ECONOMIC

S

SOCIAL

T

TECHNOLOGICAL

E

ENVIRONMENTAL

L

LEGAL



PESTEL ANALYSIS

- A **PESTEL analysis** is a framework or tool used by marketers to analyse and monitor the macro-environmental (external marketing environment) factors that have an impact on an organisation. The result of which is used to identify threats and weaknesses which is used in a SWOT analysis.





P

- Government policy
- Political stability
- Corruption
- Foreign trade policy
- Tax policy
- Labour law
- Trade restrictions

E

- Economic growth
- Exchange rates
- Interest rates
- Inflation rates
- Disposable income
- Unemployment rates

S

- Population growth rate
- Age distribution
- Career attitudes
- Safety emphasis
- Health consciousness
- Lifestyle attitudes
- Cultural barriers

T

- Technology incentives
- Level of innovation
- Automation
- R&D activity
- Technological change
- Technological awareness

E

- Weather
- Climate
- Environmental policies
- Climate change
- Pressures from NGO's

L

- Discrimination laws
- Antitrust laws
- Employment laws
- Consumer protection laws
- Copyright and patent laws
- Health and safety laws



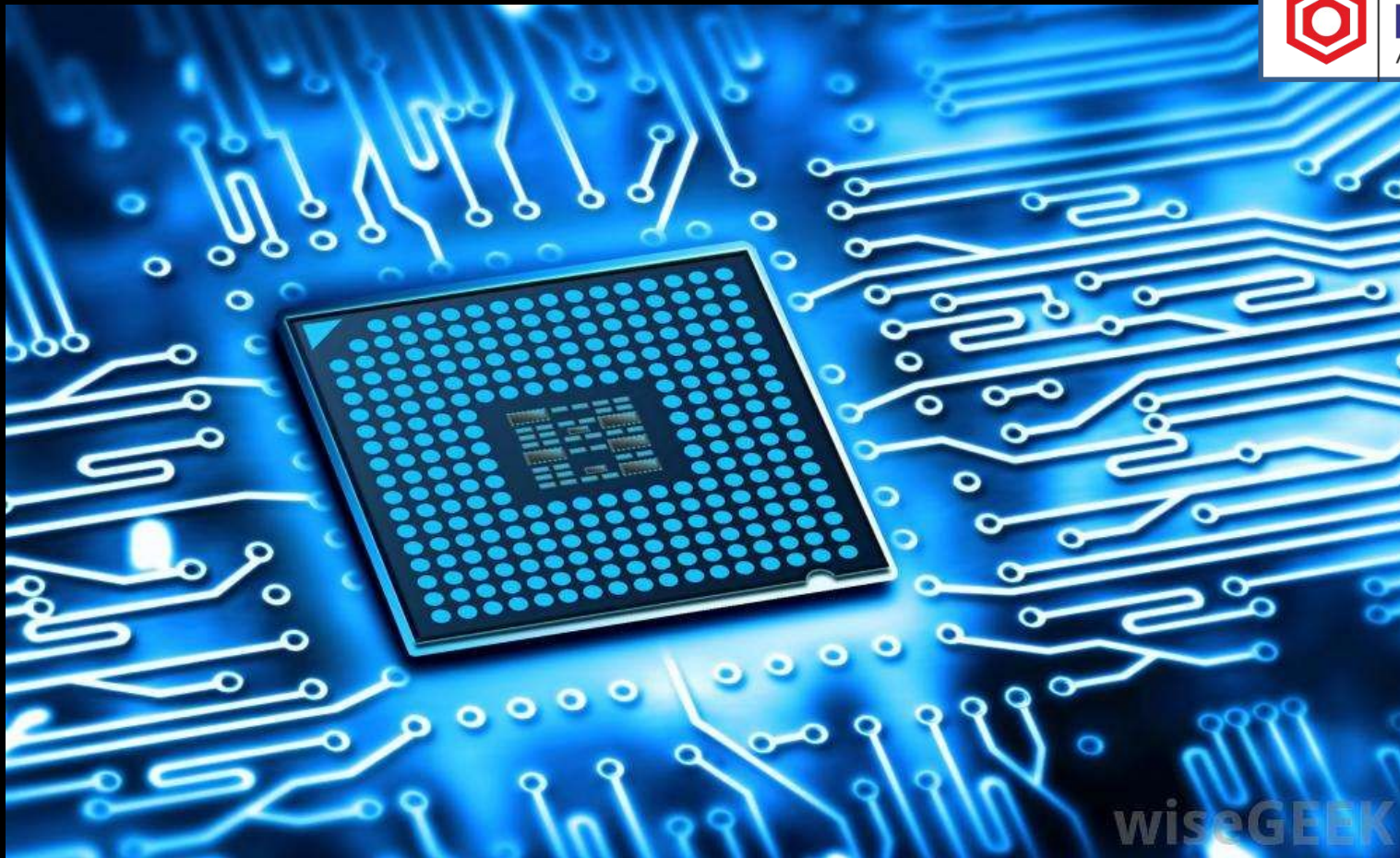
Political environment determines the extent to which a government may influence the economy or a certain industry.



Economic environment consists of determinants of an economy's performance that directly impacts a company and have resonating long term effects.



Social environment scrutinize the social climate of the market, and gauge determinants like cultural trends, demographics, population analytics etc.



wiseGEEK

Technological factors pertain to innovations technology that may affect the operations in of industry and the market the favorably or unfavorably



Legal factors pertain to certain laws that affect the business environment in a certain country.



Environmental factors include all those that influence or are determined by the surrounding environment.



PESTEL ANALYSIS TREE DIAGRAM



Political

Wisi consectetur adipiscing elit.
Sed un sit amet tempor leo.

Economic

Wisi consectetur adipiscing elit.
Sed un sit amet tempor leo.

Social

Wisi consectetur adipiscing elit.
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Technological

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Environmental

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Legal

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PESTEL





Political



**Low cost manufacturing in China
calls to restrict Chinese imports in the United
States growing nationalism and anti-
Americanism in China**

Economic



**Increased labour costs in China
Stagnating middle-class incomes in developed
countries A strong U.S. dollar could increase
exchange rates**

Social



ISOmantra
Aim • Adapt • Achieve



**Growth in consumer spending in africa
younger people in Apple's established markets
lack the strong emotional attachment
A backlash against expensive products
among some customers**

Technological



Competitors duplicate Apple's products and services (Google Pay in one year after the release of apple pay) Limited New consumer products (Apple TV) cyber criminals make Apple's systems less secure

Environmental



ISOmantra
Aim • Adapt • Achieve



**disposal of used or nonworking electronic devices
Pollution from manufacturing facilities in China
transoceanic shipping and Apple's supply chain
Apple is highly vulnerable to increases in electricity
costs**

Legal



By offering financial services, Apple could face increased levels of litigation
Entering the auto business could increase regulatory, insurance and litigation costs at Apple.
intellectual property laws make the company highly vulnerable to both piracy and litigation.



**THANK
YOU**