PESTEL analysis for photoshoot business

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**PESTEL ANALYSIS**

A PESTEL analysis is a way to look into the external environmental factors that the company has to interact with. The outcome of this analysis is used by the marketers to assess the opportunities and threats in the SWOT analysis. This analysis is important for the business as it will provide information about the external environment to the business. This analysis comprises of the following factors:

**Political Factors**

This encompasses all the government regulations and laws that can affect the business in general. This includes the extent to which the government interferes in the business activity. This also includes the political instability in the neighbor or surrounding countries. The policy affecting the import or export of any goods is also included in this group. The impact that the government can have on the decisions taken by the businesses is also an important part of this aspect.

**Economic** **Factors**

These factors are related to the economic situation of the country. The level of inflation, economic growth rates and the amount of disposable income are some of the factors to be considered. This group includes the country specific and global factors also known as micro and macroeconomic factors respectively.

**Socio cultural**

This includes the social and cultural aspects to be considered. They include the common beliefs and attitudes of the society as a whole. These may include age distribution, health consciousness, population growth etc.

**Technological Factors**

This includes the changes on the technological front. We have to consider which technological change will have the most important effect on the business. This aspect is very hard to study and even harder to adhere to. The reason is that the technological front is almost always changing.

**Environmental Factors**

The impact of the business on the environment is studied under this aspect. These factors have only recently started to affect the business activity. Generally the industry or production sector faces these factors more seriously. The ecological aspects are specifically considered in this category.

**Legal Factors**

These include the legal considerations important to successfully run a business. They show the business what acts can lead to some legal action against them. Similarly in what circumstances can they take some legal action against some other party? The implementation of gender equality in the job opportunities can be considered as an example.

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| **P** | **E** | **S** | **T** | **D** |
| Political / Legal | Economic | Socio-Cultural | Technological | Demographic |
| * What laws are to be followed?

E.g. privacy related issues* How much tax will I have to pay? Are there any tax relaxations available?
* What if I want to import some equipment, what will I have to consider?
* Any laws directly affecting my business
 | * I will be interest in the interest rates because if in future I have to take some loan from a bank or any other institution, this will affect me directly.
* The income available to the people as disposable is important for my consideration as this will decide about the amount they have to spend on my services.
* Being a small business, I will be more interested in the microeconomic factors.
 | * The buying habits will affect my business in a way if the customer immediately decides to buy a product or service.
 | * I will have to see which cameras are being used by the competitors.
* I will have to decide the extent to which I will use the internet for various purposes like advertising etc.
 | * I will have to know the age distribution of the society. This is because the presence of old age people in the families can prompt a need for keeping some memory.
* Gender is important because women are more likely to keep some memories intact.
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