

# Czech republic assignment



**ASSIGN  
BUSTER**

It has 58 manufacturing facilities in 32 countries & the company operates in European union, Middle East & Africa, Asia and Latin America. Most of these countries are economically stable & have well developed business environment, but the main political factor that affects PM Price of cigarettes are the taxes(excise tax, customs duties & value added tax, VAT). The composition of Price cigarettes per pack is determined by a state laws of taxation, affecting the cigarette pack Price. Economic Forces Philip Morris is considered a company with stable demand products.

Tobacco products do not have a real substitute and are addictive products. That's why when the Price of this products moves, the demand will remain a bit the same. This happens because of its addictive nature, the demand for tobacco is stable regardless of its price. In other hand, another economic factor that affect this company are the exchange rates. PM has a wide variety of exchange rates due to its huge exporting in a lot of countries. Social Forces This factor is the most dangerous for PM, considering smoking harms and affects health.

PM develops social awareness campaigns against harm of tobacco, but the tobacco industry has started to be viewed as inappropriate & its bombarded with anti-smoking campaigns regulations. Technological Forces PM is following current technological trends such as modernizing on its production facilities, increasing production capacity & decreasing costs. PM continues investing in cure cancer researches. PESTEL Evaluation. The analysis of macro-environmental factors show that PM operates in a stable environment, due to the nature the inelastic goods. Cigarettes consumption levels remain positive throughout the years.

The downside of this company is the high tax rates on consumption goods applied to tobacco. These taxes integrate the biggest portion of cigarette price per pack. Another downside on PM is that cigarettes are a harmful product, affecting consumers' health, generating a more strict regulating market.

Despite of all these problems, PM headquarters are located in Czech Republic, and the corporate tax in Czech Republic are decreasing every year. Another positive view of this market, is that the consumption is rising, and the demand remains stable for cigarettes.

**General Motors Political** One of the biggest concerns to this company since the late 60 ' s, is that people want a new friendly environment car, as well as safer automobiles. The market Price and the oil Price are important factors to consider from a customer perspective. The labor unions is another important factor, for the assembling lines, The labor unions should practice corresponding to the rules and regulations elevated by the business acts

**Economic** The car companies are a great deal for economic matters because of the materials that are used to build it.

Building a single car not only creates jobs, but also benefits other companies by acquiring raw materials like: metals, leather, plastic. Also with their new lines of hybrid cars the purchases went up. This company is also a huge job generator it offers hundreds of thousands jobs. That's why the US government rescues this company from the bankruptcy. The oil variations consequence the purchases of the GM organization. If the oil charges are high it will be hard to retail the exceptional and luxury vehicles. Expense acquainted consumers may not show attraction to purchase the automobiles which arrange deficient mileage.

GM is also famous for acquiring other car companies like: Ford, Cadillac, Chevrolet Buick, this generates more jobs, and higher revenues.

Sociocultural In today's society is everything about showing off, people feel better driving a nice car, it makes them feel with status, this is one of the reasons General Motors puts a lot of attention in what consumers think about the cars. In the different geographical areas are an important factor for example the Americans like big engines so there's a special market for them, and the British like smaller engines and compact vehicles.

Customer's mood plays a role in choosing car model and composition, if the customer likes sports they will choose the sports model car for their convenience. But if the customer is thinking about the price and safety bothered then they'll apparently select a medium vehicle which will accommodate the mileage and protection both. Technology The Internet has affected all the business around the world, including the car companies, this is because when the customer wants to purchase a car, they immediately go and check in the web about the car, the opinions of the users, if they can get the vehicle cheaper in other car agency.