

Dell external environment



**ASSIGN
BUSTER**

One of DELL's biggest threats is involving the fourth element of the external environment. It is Political, Economic, Social and Technological. Political National PC vendors are mostly to be preferred by the Chinese government to foreign companies. There is a lot of red tape involved in securing government contracts. The Chinese governments will favours on local firms and also local companies. Government control of internet usage in china one of the threats of the growth for the internet and it's the worse reason among all the reasons. Economic

The economic environment refers to the nature and direction of the economy in which a firm competes or may compete. A primary threat that computer companies encounter in China is the problem of software piracy. China has a shortage of skilled labor, even though the country has many economic opportunities. Computer companies have to acknowledge that the average consumer could not afford the investment and very few had a bank account. DELL is aware that Chinese customers go for the cheapest System. Social The social-cultural segment is concerned with a society's attitudes and cultural values.

DELL is one of the opportunities to expand into a new market with huge potential internet growth in China for giving foreign computer companies. Computer companies have to acknowledge that in the Chinese culture, people are still unsure about card sales because of the huge expense of computers in China. In order to build nice image for the company and the gain more confident from the public, DELL need to invest more operations in door-to-door and face-to-face. Technological The institutions and activities

which involved with creating new knowledge into product, process and also the materials are the part of the technological segment.

Technology will keep on growing to be more strong and faster in the computer industry. Providing access to technologies developed by institutions has proven a key government resource. It was observed that by the year 2000, mainland China's annual PC production would reach 7.6 million making it the third largest in the world. The company can get their name into public domain nicely than ever and also to provide a fastest way to serve for the customer with the internet opportunity. A threat in the technological segment to DELL's business in China is that access to the Internet is costly.