

# How to create a pestle analysis template

[Business](#)



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The PESTLE analysis is the analysis of the environment as a whole in which a business operates or tends to offer its trade. These are systematic factors that are beyond ones control and businesses need to chart out strategies keeping the results in view to peacefully coexist and keep on gaining revenues despite the concurrent situation.

It is of utmost importance to understand in depth the meaning of PESTLE and how every letter of the acronym represents an important aspect of the environment your business is in. PESTLE stands for:

- P for Political
- E for Economic
- S for Social
- T for Technological
- L for Legal
- E for Environmental

The political factors account for all the political activities that go on within a country and if any external force might tip the scales in a certain way. They analyze the political temperament and the policies that a government may put in place for some effect. For example, the fiscal policy, trade tariffs and taxes are those things that a government levies on traders and organizations and they greatly alter the revenue that is earned by those companies.

The economic factors take into view the economic condition prevalent in the country and if the global economic scenarios might make it shift or not. These include the inflation rates, foreign exchange rates, interest rates etc.

All these can affect the supply and demand cycle and can result in major changes of the business environment.

Social factors have to do with the social mindset of the people that live in a certain country. This sums up the aspect of culture, age demographics, gender and its related stereotypes, at times this analysis has to include the religious factors (when pertaining to products or services of a different kind).

Technological factors take into consideration the rate at which technology is advancing and how much integration does a company needs to have with it.

Legal factors have to do with all the legislative and procedural components in an economy. Also, this takes into account certain standards that your business might have to meet in order to start production/promotion.

Environmental factors have to do with geographical locations and other related environmental factors that may influence upon the nature of the trade you're in. For example, agri-businesses hugely depend on this form of analysis.

### PESTLE analysis template

This is a template that allows a company to understand what basics are required to conduct the analysis onto the environment. It combines all the representative factors in one table, and then you need to analyze based on the current market situation.

Here is a comprehensive list of headings that one must look toward while carrying out the analysis on a market.

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1. Political factors:

- Trading policies
- Government changes
- Shareholder and their demands
- Funding,
- Governmental leadership
- Lobbying
- Foreign pressures
- Conflicts in the political arena

2. Economic factors:

- Disposable income
- Unemployment level
- Foreign exchange rates
- Interest rates
- Trade tariffs
- Inflation rate
- Foreign economic trends
- General taxation issues
- Taxation changes specific to product/services
- Local economic situation and trends

3. Social factors:

- Ethnic/religious factors
- Advertising scenarios
- Ethical issues

- Consumer buying patterns
- Major world events
- Buying access
- Shifts in population
- Demographics
- Health
- Consumer opinions and attitudes
- Views of the media
- Law changes affecting social factors
- Change in Lifestyle
- Brand preferences
- Working attitude of people
- Education
- Trends
- History

#### 4. Technological factors:

- Technological development
- Research and development
- Trends in global technological advancements
- Associated technologies
- Legislations in technological fields
- Patents
- Licensing
- Access into the technological field
- Consumer preferences

- Consumer buying trends
- Intellectual property and its laws
- How mature a certain technology is
- Information technology
- Communication

5. Legal factors:

- Employment law
- Consumer protection
- Industry-specific regulations
- Competitive regulations
- Current legislation home market
- Future legislation
- Regulatory bodies and their processes
- Environmental regulations

6. Environmental factors:

Ecological

Environmental issues

- International
- National

Stakeholder/ investor values

Staff attitudes

Management style

Environmental regulations

Customer values

Market value