

Destep analysis france essay



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One of our chosen countries is France. France has the world's fifth largest economy by nominal figures and it is a member of the G8 so it has one of the strongest economies in the world. Also France is the wealthiest nation in Europe and the fourth wealthiest in the world in aggregate household wealth. French people take a lot care on their well-being and they spend a lot of money for high quality products. France has a high public education level and one of the highest standards in terms of living.

It is the most visited country in the world with nearly 80 million foreign tourists every year which generates even more potential customers. The DESTEP analysis will help to survey the country and to decide if France is the convenient country for our company. France has a population of 65, 630, 692 million people whereby it's the second biggest nation in Europe. The Table 1 describes the percentage of male/female population in certain age blocks.

65 and over 16, 8 % 4, 5 million 6, 3 million Table 1, percentage population. The distribution of the French population is not only limited to a couple of big cities. There are a many urban areas (Urbanization-85%) distributed in the whole country. The central point of France is Paris with a metropolitan area of 12 million people but there are also regional conurbations in the south, south/west and north/east of France. These information's are important for our company when it comes to the question where to locate the stores. The exact distribution of the population is provided in table 2.

Table 2, Distribution of French population

The average income is \$27 789 a year, higher than the OECD average of \$22 387 so from the financial view there is a basis for potential customers for the company's products. But there is a appreciable gap between the richest (\$53 608 a year) an poorest (\$12 394 a year) as 20% of the population earn more than four times as much as the bottom 20%. The average household financial wealth is estimated at \$44 353 in comparison to the OECD average of \$36 238.

When it comes to the French economy its Gross Domestic Product (GDP) is \$2 712 trillion (2011) which is the fifth highest GDP in the world. The GDP per capita amounts \$42 793 (2011). Looking at table 2, the GDP of France was quite solid in recent year, only between the start of 2009 to the end of 2010 it suffered a small regression which was caused to the financial crisis.

France has a unemployment rate of 9, 3 % which is a low unemployment rate when it comes to a international comparison, and 64% of people aged 15 to 64 have a paid job which is lower than the OECD employment average of 66%. Young people in France, aged 15-24, however, face difficulties, with an unemployment rate of 22. 5%. With 1554 working hours a year, France is behind the OECD average of 1746 hours a year.

In recent years France had a Inflation of 2% maximum (exception 2008- financial crisis) so the price level experienced no serious boosts or reductions. The stability of the price level is a significant condition and plus for a company. All information's about the inflation in France are provided in Table 3.

Table 3, Inflation of France 1995-201

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The better part of the people in France is not really ecologically aware compared to other countries, especially in Europe. The ecology-minded party “ Les verts” reached only 2, 3% in the 2012 elections. Also most of the electricity produced in the country is generated by nuclear power plants (78%) and renewable energies are having difficulties to grow significantly.

The French government and French energy groups however, did a renewable energy program in January 2012 which includes the building of 5 new offshore-wind farms till 2016, so there is a trend to ecological awareness in the country. In reference to our company its worth to mention that the French steadily developing interest for environmentally friendly and hand-made products. France has a common law jurisdiction. There are no abnormal or particular rules, restrictions or regulations which would have hurtful influence on our company but in reverse there are also no laws our company would benefit from.