



# Marketing

## MKTG 1310

3.2

Environment: Macro



# Agenda

- Political
- Economic
- Social
- Technological
- Legal
- Environmental



# Political

- Immigration
- Taxation
- Wage rates
- Government benefits
- Corporate accountability
- Rights of citizens
- Foreign policy

# Political

- Examples

Since Russia's full-scale invasion of Ukraine in February, Canada [imposed](#) a series of targeted sanctions on more than 1,150 individuals and entities complicit in human rights abuses. Canadian sanctions also targeted Russia's [oil, gas and chemical industries](#), [defense sector](#) and officials and entities involved in [disinformation efforts](#). In March, Canada [referred](#) the situation in Ukraine to the International Criminal Court (ICC) in coordination with other ICC states parties.

# Political

- Examples

In March, two private members bills were tabled in the House of Commons aimed at advancing accountability for human rights abuses linked to Canadian companies' operations or supply chains abroad. Bill C-262 would require companies to identify, prevent, and mitigate human rights abuses throughout their global operations and supply chains, including violations to the right to a healthy environment. The bill provides affected communities with a statutory right to bring a civil lawsuit against a company in a Canadian court to seek justice and remedy for causing harm or failing to undertake human rights due diligence. Bill C-263 seeks to establish an Office of the Commissioner for Responsible Business Conduct Abroad, essentially transforming the CORE into a corporate watchdog able to independently investigate allegations of abuse.



# Economic

- Economic system consists of product, distribution and then consumption
- Inflation
- Unemployment
- Interest rates
- Economic growth
- Trade cycles
- Income

# Economic

- Examples

The current inflationary trends are making it more expensive for small businesses to offer their goods and services at competitive prices. That leaves managers and owners with a choice: Eat the extra costs, or increase prices. While eating the additional expenses is never a fun decision, raising prices in some industries may not be an option.

**High unemployment rates dampen the value of consumer businesses.**

If you have a business that caters to consumers, such as a high-end retail store, an increase in the unemployment rate will negatively affect the value of your business, especially if the trend is expected to worsen over time.

# Economic

- Examples

When interest rates rise, businesses often attain slower growth rates due to the difficulty in getting access to lending as well as the higher costs associated with borrowing.

An increase in income (the ability to spend more money) results in a demand for more services and goods. A decrease in income results in the exact opposite. In general, when incomes are lower, less spending occurs, and **businesses are hurt by the effect.**





# Social

- Lifestyles
- Culture barriers and religious beliefs
- Health consciousness
- Environmental consciousness
- Demographics
- Media perceptions
- Emphasis on safety and avoidance of risk



# Technological

- New products and services
- Newer technology
- Newer communication and channels
- Automation
- Remote working
- Cybersecurity
- Data privacy
- Social media

# Technological

- Examples

## How Small Businesses Use Technology





# Legal

- [Details](#)

# Legal

- Examples

When your business uses recorded music, you are responsible for getting the right licence(s) for that use.

You must be licensed if you provide payday loans or broker services.

If you run a business that collects personal information (e.g. collection agencies, consumer reporting agencies, personal information investigators), you need to be licensed with the Ministry of Public and Business Service Delivery (MPBSD).

# Legal

- Examples

The Competition Act (French: Loi sur la concurrence) is **a Canadian federal law governing competition in Canada**. The Act contains both criminal and civil provisions aimed at preventing anti-competitive practices in the marketplace.

Legislation administered by the Competition Bureau

**Anti-competitive practices in the marketplace:** The Competition Act prevents anti-competitive practices in the marketplace, such as price fixing and misleading advertising, through both criminal and civil provisions.

**Packaging, labelling, sale, importation and advertising of prepackaged products:** The Consumer Packaging and Labelling Act requires that prepackaged consumer products bear accurate and meaningful labelling information to help consumers make informed purchasing decisions.



# Environmental

- Resources
- Recycling
- Alternative energy

# Environmental

- Examples

For example, in February 2020, international oil company BP began a transformative effort to become an “integrated energy company,” rather than just an oil producer. The company set a goal to reach net zero carbon emissions by 2050, and has made [significant process](#), with actionable steps such as creating a network of electric vehicle charging stations and developing offshore wind projects with enough capacity to power five million homes.