

Business Contexts

1 Business environment

Macro environment (PESTEL)

- GDPR
- Political
- Economic
- Social
- Technological
- Environmental
- Legal
- Don't need to include one of each in analysis in essay if there isn't one
- Think about the future PESTEL analysis you may face

2 Porter's five forces

- Threat of entry
 - How easy is it for someone to copy what you are doing?
- Buyer Power
 - If a product is not up to your standard you will not buy it
- Supplier Power
 - Offering a rare resource
 - Not a wide range of suppliers
 - Suppliers increase cost as supplies run out
- Threat of substitutes
 - Does something else fulfil the same need the customer has
- Complementers
 - Coffee shops in larger shops