

PEST Model

The PEST (Political, Economic, Social, Technological) model is a strategic tool used to analyse external factors that can impact an organisation. Here's how to use it:

- 1. Political:** Examine government policies, regulations, and political stability. Consider factors such as tax policies, trade restrictions, and political events that could affect your business.
- 2. Economic:** Assess the economic environment, including inflation rates, interest rates, economic growth, and exchange rates. Understand how these factors influence purchasing power and consumer behaviour.
- 3. Social:** Analyse societal trends and cultural factors. Consider demographics, lifestyle changes, consumer attitudes, and social behaviours that might impact your market.
- 4. Technological:** Evaluate the impact of technological advancements and innovations. Look at the rate of technological change, R&D activity, automation, and technology incentives.

PEST Model

Political

Economic

Social

Technological