

**PESTLE analysis** allows you to assess the market for your idea or proposition, by looking at your business environment – political, economic, social, technological, legal and environmental – and helping you to focus on the ‘big picture’ factors that could affect your business.

The importance of each of the elements of PESTLE may vary for different sectors or individual businesses, but it’s worth using this practical tool to consider all six of the elements for your business ruling them out.

Visit the North East Growth Hub at [www.northeastgrowthhub.co.uk](http://www.northeastgrowthhub.co.uk) – whether you’re starting up or scaling up, it’s the place to go for information, insights, and support tailored to you.

## POLITICAL

- When is the next election (local or national)? How could this change government or local policy?
- What are the views of the most likely candidates on business policy or other policies that may specifically affect our company?
- Could any proposed changes to regulations or tax affect our business?

## TECHNOLOGICAL

- Are there any new technologies we could be using? How would our customers react?
- Could any upcoming technological developments either positively or negatively affect our industry sector?
- How have developments in technology affected work patterns and skills required?

## ECONOMIC

- How stable is the current economy? Is it growing, stagnating or declining?
- Are key exchange rates stable, or do they tend to vary significantly?
- What is the unemployment rate? How will this affect our ability to hire a skilled workforce and the cost for us to do so?
- For consumer businesses, think about our customers. Is their level of disposable income rising or falling? Do they have easy access to credit?

## LEGAL

- Which current or impending laws directly affect how our business operates?
- Could competition, employment or health & safety legislation affect our plans?
- How could regulations in our main trading partner countries affect our operations? Include trading restrictions, quotas and excise duties in our consideration.

## SOCIAL

- What is the population’s growth rate and age profile? Will changes in the attitudes of different generations affect our business?
- What social attitudes and social taboos could affect our business?
- Are there any religious or cultural beliefs and lifestyle factors which could affect our business (including holidays and working times)?

## ENVIRONMENTAL

- Could weather conditions impact on our business and how it operates, including any potential logistical challenges?
- Are there environmental protection or other sustainability issues we need to consider?
- Are any of our key trading partner countries or areas subject to extreme weather conditions?