

DESTEP ANALYSIS

Every organization is faced with factors they can exert influence on and factors they cannot exert influence on at all. The DESTEP-model provides more information about these Macro-economic factors. A DESTEP-analysis clarifies how a company can best deal with such Macro-economic factors and how to adjust their strategy accordingly.

1. Demographics Analysis

Demographics represent human population in a statistical form. Business people need to take into account the total population so that they can develop a production strategy in order to manufacture their products or services. Demographics provide a rough idea about rate of population growth or decrement.

Demographic variable can be analyzed by taking into account some important factors including age, gender, income, population, origin and household.

2. Economic Analysis

National income plays an important role in deciding business as well as production strategies, but at the same time, analysis of international development plays an equally important role in effective business strategy formulation. Currencies are also changing at a fast pace. Hence, economic analysis gets important.

Factors that help in analyzing economic variable include purchasing power, GDP, inflation, unemployment, total income, disposable income and cyclicity.

3. Social-Cultural Analysis

Consumer behavior acts as a decisive factor. Business associates need to focus and analyze current market demand plus latest customer requirements. All these can be assessed by focusing on various factors like lifestyle, behavior, level of education, values & norms and religion.

4. Technological Analysis

The field of technology has shown major advancements since past few years. Technological advancements mainly affect processes of product renewal as well as fresh upcoming products.

Communication technology is considered as the king of all the ongoing reformations. Internet & ICT are amongst some of the most impactful developments in this field. Furthermore, technological advancements can be analyzed by evaluating 'know how' plus 'success rate'.

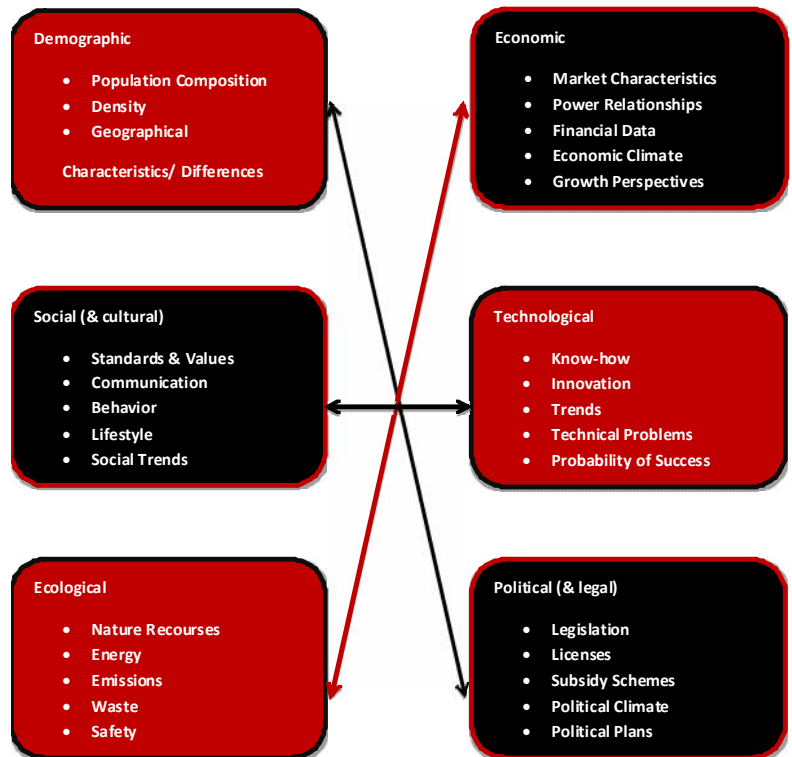
5. Ecological Analysis

Environment is also a crucial factor for analyzing numerous business processes. This analysis helps in judging good and responsible social marketing concepts and labels of products.

Important points that prove to be beneficial in judging different ecological variables comprise sustainability, safety, energy, garbage and climate.

6. Political analysis

DESTEP-analysis



Many a times, certain political restrictions come in the way of business developments such as maximum & minimum prices, political measures and zoning etc.

To overcome all these factors, certain points that need to be kept in consideration include licenses, funds as well as legislation. Once all these points have been thoroughly analyzed, they will help in formulation of striking decision in favor of business organizations.