



# MACRO ENVIRONMENT

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# The Macroenvironment

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- The company and all of the other actors operate in a larger **macro environment** of forces that shape opportunities and pose threats to the company.

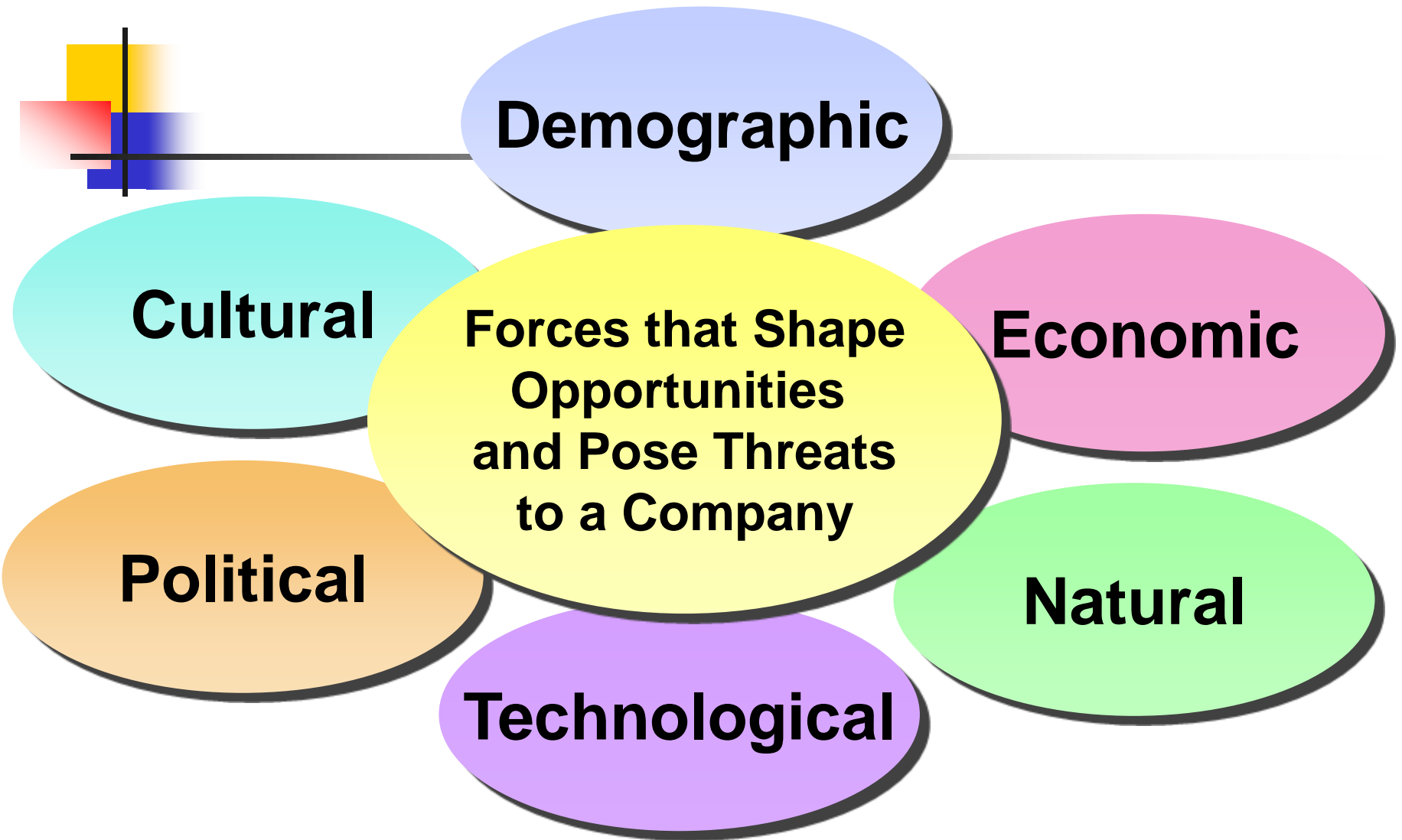


# The Macro environment

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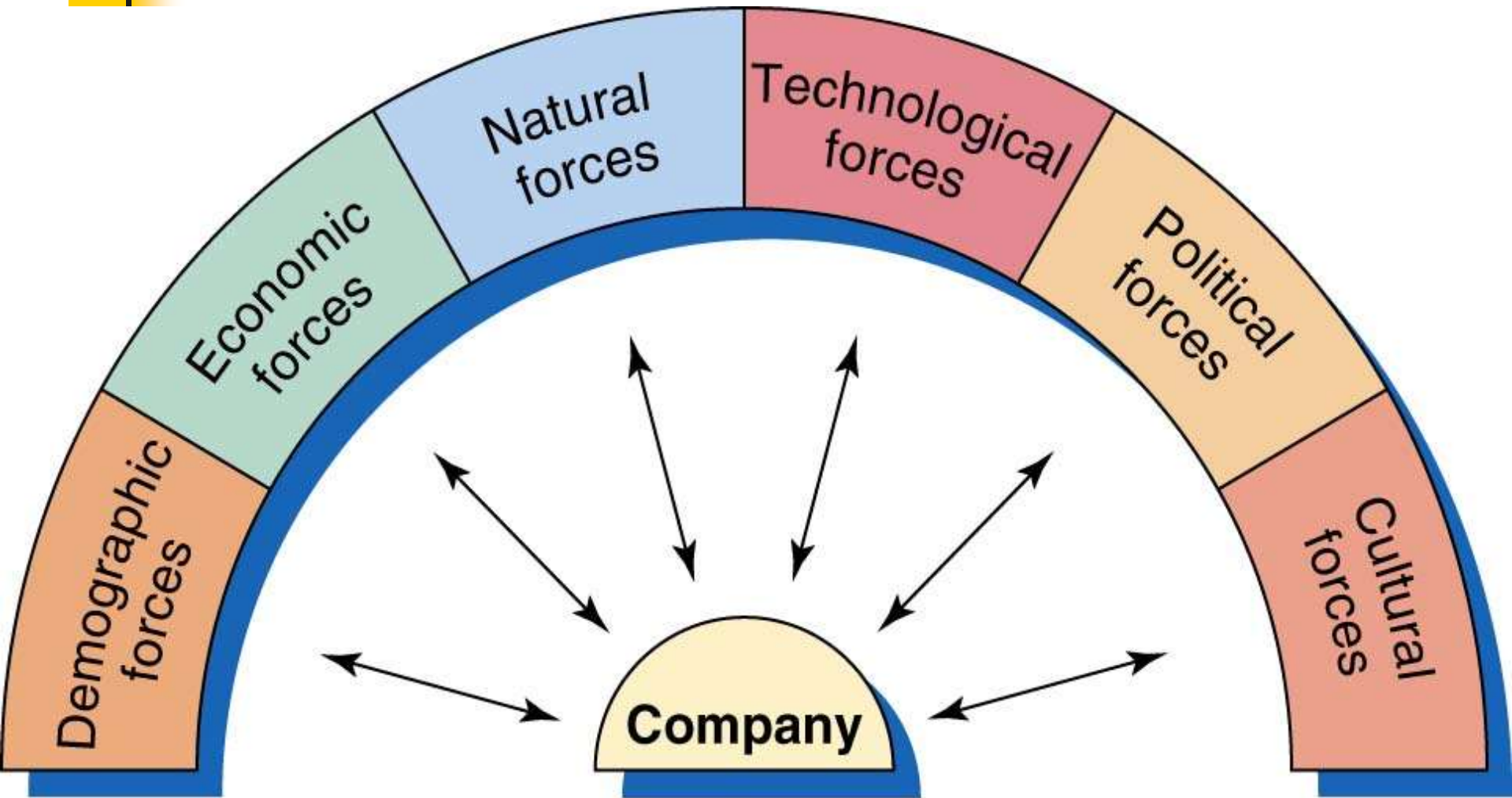
- Forces in the macro environment can be categorized as:
  - Demographic
  - Economic
  - Natural
  - Technological
  - Political
  - Cultural

# The Macro environment



# The Company's Macro environment

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# Demographic Environment

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- **Demographics:**  
The study of human populations in terms of size, density, location, age, gender, race, occupation, and other statistics.
  - Marketers track changing age and family structures, geographic population shifts, educational characteristics, and population diversity.



# Economic Environment

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- Consists of factors that affect consumer purchasing power and spending patterns.

# Economic Environment



**Economic  
Development**

**Changes  
in Income**

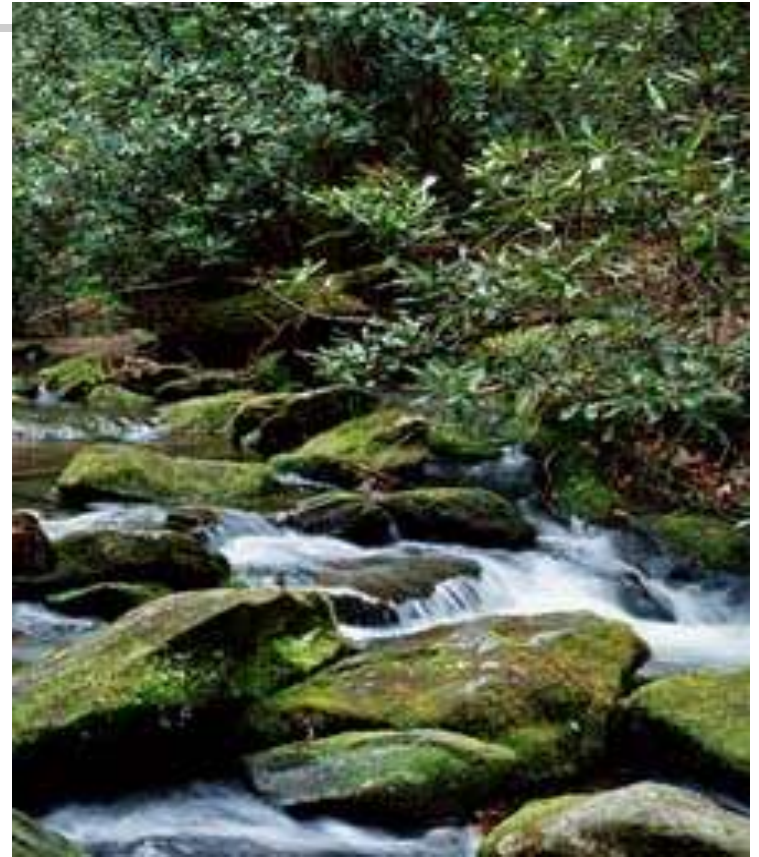
**Key  
Economic  
Concerns for  
Marketers**

**Changes  
in Consumer  
Spending  
Patterns**

# Natural Environment

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- Involves the natural resources that are needed as inputs by marketers or that are affected by marketing activities.





# Natural Environment

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- Factors include:
  - Shortages of raw materials.
  - Increased pollution.
  - Increased government intervention.
  - Environmentally sustainable strategies.

# Natural Environment



**More Government  
Intervention**

**Factors  
Affecting  
the  
Natural  
Environment**

**Higher Pollution  
Levels**

**Shortages of  
Raw Material**

**Increased Costs  
of Energy**

# Technological Environment

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- Most dramatic force now shaping our destiny.



# Technological Environment

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- Most dramatic force shaping our destiny.
- Changes rapidly.
- Creates new markets and opportunities.
- Challenge is to make practical, affordable products.

# Technological Environment

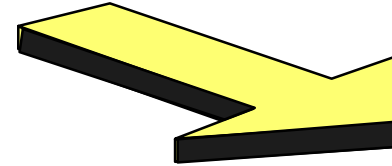
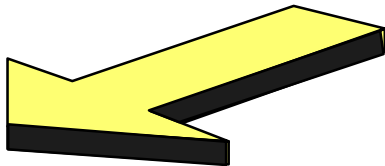
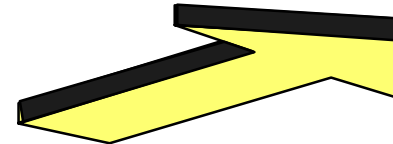
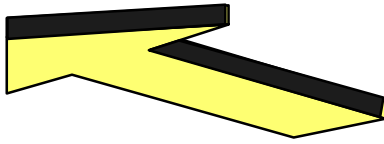
**Rapid Pace of Change**

**High R & D Budgets**

**Issues in the Technological Environment**

**Focus on Minor Improvements**

**Increased Regulation**





# Political Environment

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- Includes laws, government agencies, and pressure groups that influence or limit various organizations and individuals in a given society.
- Areas of concern:
  - Changing government agency enforcement.
  - Increased emphasis on ethics and socially responsible behavior.

# Cultural Environment

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- The institutions and other forces that affect a society's basic values, perceptions, preference, and behaviors.





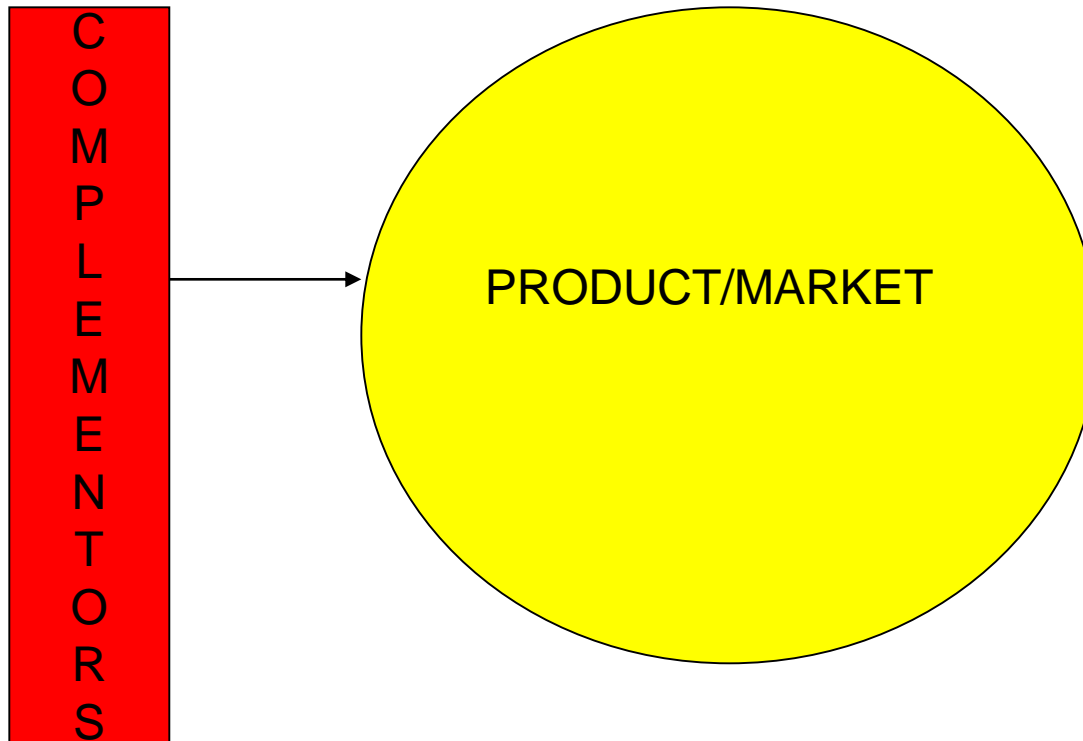
# Cultural Environment

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- The institutions and other forces that affect a society's basic values, perceptions, preference, and behaviors.
  - Core beliefs and values are passed on from parents to children and are reinforced by schools, churches, business, and government.
  - Secondary beliefs and values are more open to change.
    - Marketers may be able to change secondary beliefs, but NOT core beliefs.

# Andrew Grove on Market Environment

- Andrew Grove on market environment





# Responding to the Marketing Environment

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- Environmental Management Perspective
  - Taking a proactive approach to managing the environment by taking aggressive (rather than reactive) actions to affect the publics and forces in the marketing environment.



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Thank you for your attention!

*Any questions please?*