

# Creating a Business

Lecture Title: PESTEL Analysis



Lecturer: Angelito Sciberras

Date: 21 October 2023

Undergraduate Diploma in  
Business Administration

# SWOT Analysis



# External Factors

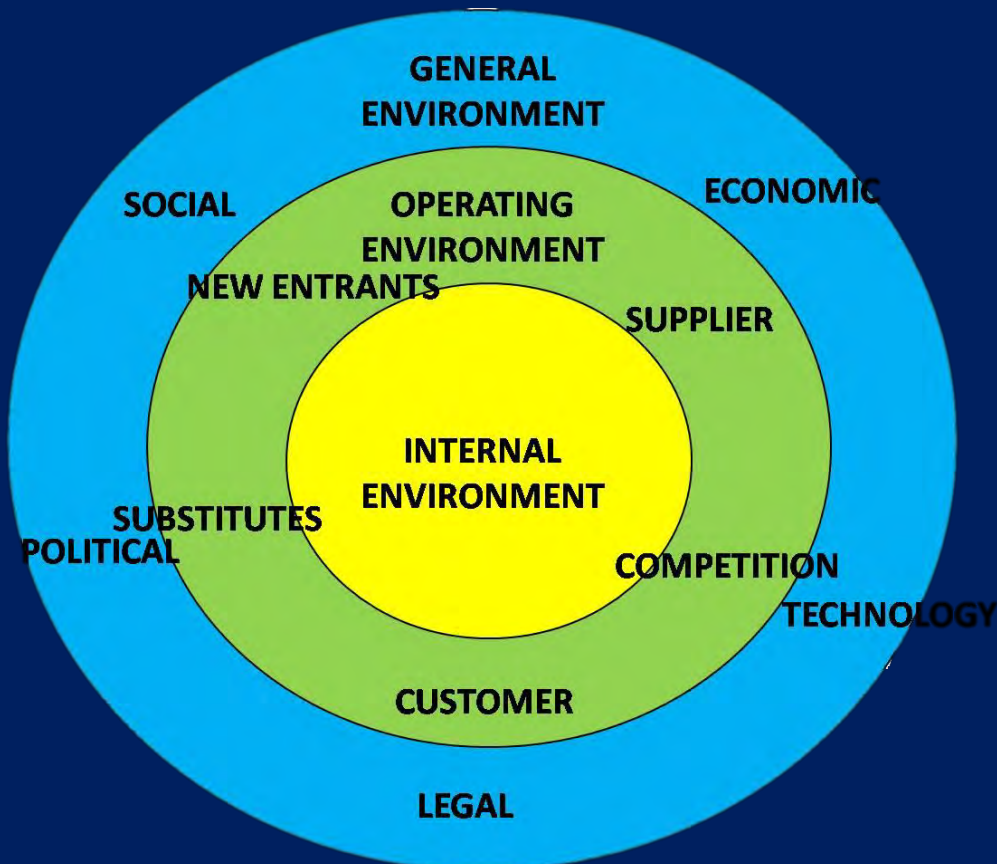
Factors external to an industry, usually beyond a firm's control

- Demographic
- Sociocultural
- Legal/Political
- Technological
- Economic
- Global



# External Factors

Factors external to an industry, usually beyond a firm's control



# External Factors

Factors external to an industry, usually beyond a firm's control

- **General (Macro) Environment**

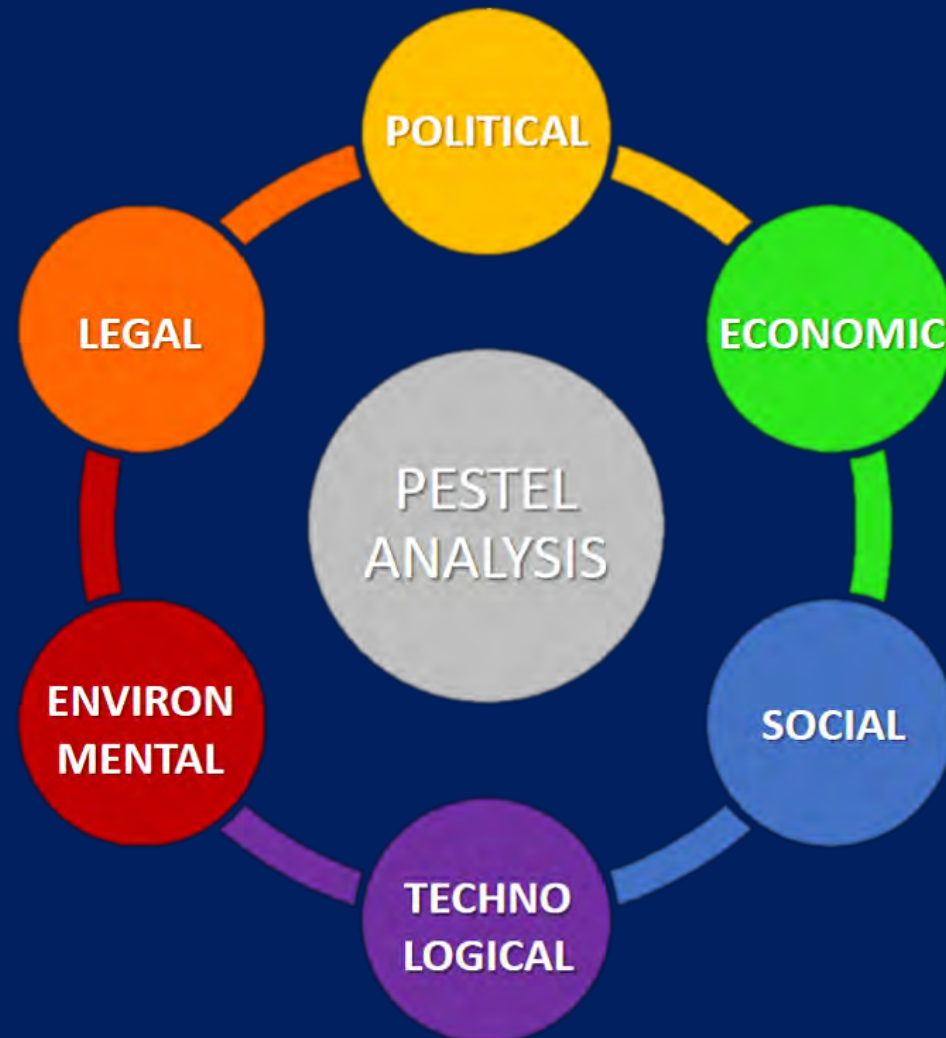
- Political
- Economic
- Social
- Technology
- Environmental
- Legal

- **Operating (Micro) Environment**

- Supplier
- Competition
- Customer
- Substitutes
- New Entrants



# Understanding the General Environment



# PESTEL Analysis

## POLITICAL

- Government Policy
- Political (In)stability
- Corruption
- Foreign Trade Policies
- Tax Policies
- Wage policies
- Education System
- Infrastructure
- Health Sector Regulation

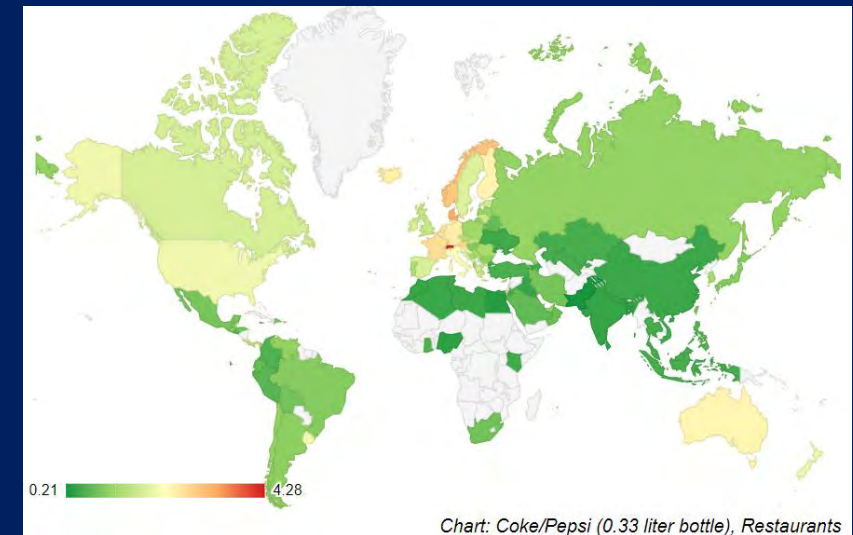


- USA
  - high-fructose corn syrup
- Europe
  - sucrose

# PESTEL Analysis

## ECONOMIC

- Economic Growth
- Interest Rates
- Unemployment
- Inflation Rates
- Consumers' Disposable Income
- Trends in GDP
- Changes in stock market valuations
- Exchange Rates





# PESTEL Analysis

## SOCIAL

- Demographic
  - Growth Rate
  - Age Distribution
  - Income Levels
  - Workforce gender distribution
  - Lifestyle
  - Cultural Barriers (if any)
- Cultural



# PESTEL Analysis

## TECHNOLOGICAL

- Incentives
- Innovation
- Automation
- R&D Activity
- Change
- Awareness
- Wireless
- Penetration



# PESTEL Analysis

## ENVIRONMENTAL (Ecological)

- Weather
- Climate
- Climate Change



# PESTEL Analysis

## LEGAL

- Specific Laws
  - Discrimination
  - Privacy
  - Anti Trust
  - Employment
  - Consumer Protection
  - Copyright/Patent
  - Health & Safety



# PESTEL Analysis



# PESTEL Analysis

## Importing 2nd hand EV to Malta



# PESTEL Analysis

## POLITICAL - Importing 2nd hand EV to Malta

- Government Policy
- Political (In)stability
- Corruption
- Foreign Trade Policies
- Tax Policies
- Wage policies
- Education System
- Infrastructure
- Health Sector Regulation
- Lower electricity costs
- Subsidies for the changeover to cleaner vehicles
- National Strategy for the Introduction of Electromobility
- Population based economy
- Carbon neutral by 2050
- Cut-off date set by Government for the purchase of petrol and diesel cars
- Increase in foreign nationals and third country nationals
- **October 2022 - free public transport for residents**
- **Corruption rating high**

# PESTEL Analysis

## ECONOMIC - Importing 2nd hand EV to Malta

- Economic Growth
- Interest Rates
- Unemployment
- Inflation Rates
- Consumers' Disposable Income
- Trends in GDP
- Changes in stock market valuations
- Exchange Rates
- Electricity costs less than transport fuels
- Creation of new and green jobs for highly skilled employees and re-training
- **Lack of economies of scale**
- Used car prices hold up in Malta
- Growing Economy
- **High Inflation**
- Fossil fuel cost is high





# PESTEL Analysis

## SOCIAL - Importing 2nd hand EV to Malta

- Demographic
  - Growth Rate
  - Age Distribution
  - Income Levels
  - Workforce gender distribution
  - Lifestyle
  - Cultural Barriers (if any)
- Cultural
  - Short distances travelled in Malta
  - BEVs cost less to maintain when compared to conventional cars
  - High Vehicle culture
  - **Not every household has a garage**
  - **Number of apartments do not have underground parking facilities**
  - Increases of 6.6%, 14.3% and 7.0% were registered in the electric, hybrid/diesel and hybrid/petrol motor vehicles
  - Public transport is not widely used
  - English is widely spoken and is the island's second language

# PESTEL Analysis

## TECHNOLOGICAL - Importing 2nd hand EV to Malta

- Incentives
- Innovation
- Automation
- R&D Activity
- Change
- Awareness
- Wireless
- Penetration
- Improvements in technology is resulting in reduced time for battery charging
- BEVs charging infrastructure is easy to network
- Introduction of the latest technology
- **High battery costs**
- Internet and social media penetration and usage is very high



# PESTEL Analysis

## ENVIRONMENTAL (Ecological) - Importing 2nd hand EV to Malta

- Weather
- Climate
- Climate Change
- High innovation and advanced environmental awareness
- Contribution to climate change targets
- Contribution to the reduction of tail-pipe emissions and improvement in air quality
- Reduction of traffic generated noise pollution
- Protests, petitions and social media outrage have thrust the issue of climate change into the spotlight,



# PESTEL Analysis

## LEGAL - Importing 2nd hand EV to Malta

- Specific Laws
  - Discrimination
  - Privacy
  - Anti Trust
  - Employment
  - Consumer Protection
  - Copyright/Patent
  - Health & Safety
- Very high Vehicle Registration Tax dependant on carbon emissions
- Registration Value (RV) - ability to calculate the tax that would be due if the vehicle were to be registered
- Left hand drive
- **GDPR**



# PESTEL Analysis

Finding the Information - [data.worldbank.org](https://data.worldbank.org)



Source: <https://data.worldbank.org/>

Web Viewer [Terms](#) | [Privacy & Cookies](#)



# PESTEL Analysis

## Finding the Information -



Source: <https://www.cia.gov/the-world-factbook>

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# PESTEL Analysis

## Finding the Information -



Source: <https://https://www.theglobaleconomy.com/compare-countries/>

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# PESTEL Analysis

Finding the Information

<https://data.worldbank.org>

<https://www.cia.gov/the-world-factbook>

<https://tradingeconomics.com>

<https://data.oecd.org>

<https://www.theglobaleconomy.com>

<https://www.google.com>







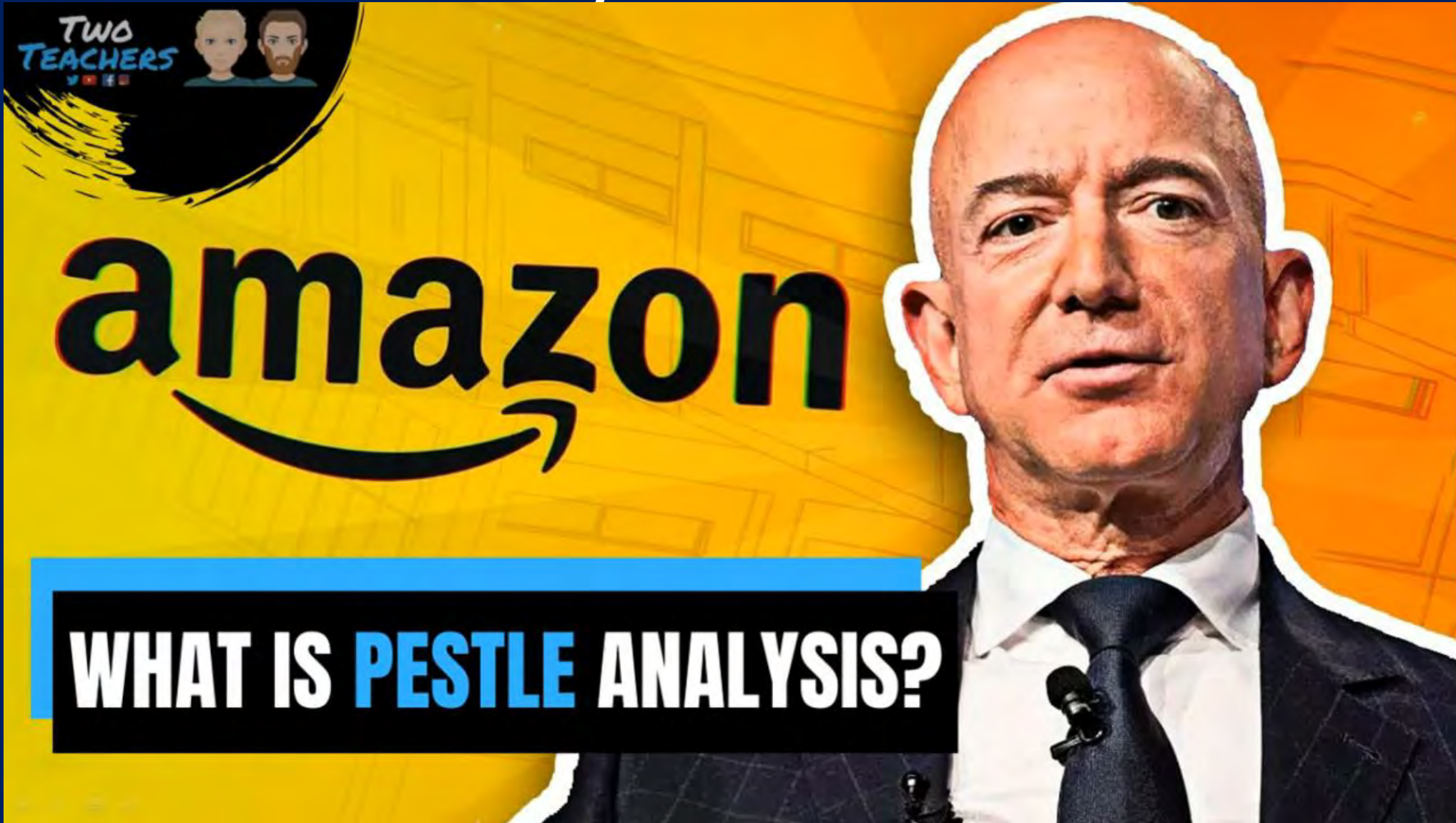
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15:00



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# PESTEL Analysis



# Political on your group company



1 5 . 0 0

Start Stop Reset mins: 15 secs: 0 type:

None ▾

Breaktime for PowerPoint by Flow Simulation Ltd.

Pin controls when stopped

The image shows a screenshot of a PowerPoint Breaktime timer. At the top, there are large black numbers '1 5 . 0 0'. Below these are several control buttons: 'Start', 'Stop', and 'Reset'. To the right of these buttons are input fields for 'mins: 15' and 'secs: 0', followed by the text 'type:'. Below the buttons is a dropdown menu currently showing 'None'. At the bottom left, there is a small red clock icon followed by the text 'Breaktime for PowerPoint by Flow Simulation Ltd.'. At the bottom right, there is a checkbox labeled 'Pin controls when stopped' which is checked.

# Political on your group company



# Economical on your group company



1 5 . 0 0

Start Stop Reset mins: 15 secs: 0 type:

None ▾

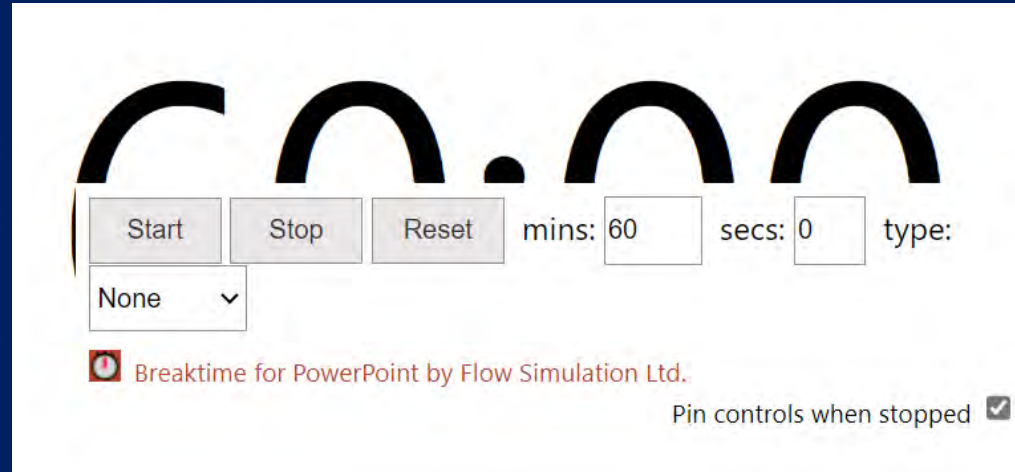
Breaktime for PowerPoint by Flow Simulation Ltd.

Pin controls when stopped

A screenshot of a PowerPoint Breaktime control panel. At the top, there are large black numbers '1 5 . 0 0'. Below them are buttons for 'Start', 'Stop', and 'Reset'. To the right of these buttons are input fields for 'mins: 15' and 'secs: 0', followed by the text 'type:'. Below the buttons is a dropdown menu showing 'None' with a downward arrow. At the bottom, there is a red clock icon followed by the text 'Breaktime for PowerPoint by Flow Simulation Ltd.' and a checkbox labeled 'Pin controls when stopped' which is checked.

# Economical on your group company





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# Social on your group company



1 5 . 0 0

Start Stop Reset mins: 15 secs: 0 type:

None ▾

Breaktime for PowerPoint by Flow Simulation Ltd.

Pin controls when stopped

A screenshot of a digital timer interface. At the top, the time '1 5 . 0 0' is displayed in large black digits. Below this are four buttons: 'Start', 'Stop', 'Reset', and 'type:'. To the right of these buttons are two input fields: 'mins: 15' and 'secs: 0'. Below the buttons is a dropdown menu showing 'None' with a downward arrow. At the bottom left, there is a red clock icon followed by the text 'Breaktime for PowerPoint by Flow Simulation Ltd.'. At the bottom right, there is a checkbox labeled 'Pin controls when stopped' which is checked.

# Social on your group company



# Technological on your group company



A screenshot of a software interface for a break timer. At the top, there are large black numbers '1 5 . 0 0'. Below this, there are buttons for 'Start', 'Stop', and 'Reset'. To the right of these buttons are input fields for 'mins: 15' and 'secs: 0', followed by the text 'type:'. Below the 'type:' field is a dropdown menu with 'None' selected. At the bottom left, there is a red clock icon and the text 'Breaktime for PowerPoint by Flow Simulation Ltd.'. At the bottom right, there is a checkbox labeled 'Pin controls when stopped' which is checked.

# Technological on your group company



10:00



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# Environment on your group company

A screenshot of a PowerPoint Breaktime timer interface. The timer shows 15 minutes and 0 seconds. The interface includes buttons for Start, Stop, and Reset, a dropdown menu set to None, and a checkbox for Pin controls when stopped. The text "Breaktime for PowerPoint by Flow Simulation Ltd." is visible at the bottom.

1 5 . 0 0

Start Stop Reset mins: 15 secs: 0 type:

None ▾

Breaktime for PowerPoint by Flow Simulation Ltd.

Pin controls when stopped

# Environment on your group company



# Legal on your group company



A screenshot of a digital timer interface. At the top, the time '15.00' is displayed in large black digits. Below this, there are three buttons: 'Start', 'Stop', and 'Reset'. To the right of these buttons are two input fields: 'mins: 15' and 'secs: 0', followed by the text 'type:'. Below the input fields is a dropdown menu currently showing 'None'. At the bottom left, there is a small red icon of a clock and the text 'Breaktime for PowerPoint by Flow Simulation Ltd.'. At the bottom right, there is a checkbox labeled 'Pin controls when stopped' which is checked.



# Legal on your group company





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