PESTLE Analysis Template

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|  | External factors | Factors affected within my industry | Rating as per Importance to organisation |
| POLITICAL | Government policy  Political stability Tax  Industry regulations  Global trade agreements and or restrictions | The war between Ukraine and Russia has resulted in the local currency being weaker.  The government’s decision to enforce sanctions on Russia will mean that all Russian suppliers will have to be replaced.  Government imposed restrictions on the number of people allowed to dine inside restaurants in relation to the number of tables. | Medium  High; will need to find supplier replacements for Russian produce like caviar.  High, will need to consider reorganizing the table setup |
| ECONOMIC | Exchange rates  Globalisation  Economic growth/ decline  Inflation  Interest rates  Cost of living  Labour costs  Consumer spending habits | Exchange rate conversions remain volatile, affecting negotiations with new suppliers.  COVID-19 pandemic has added to poor market performance and greater dependence of online food delivery options.  Consumer spending habit changes put pressure on the overall hospitality industry | High; must find a way to negotiate with new suppliers for the best rate.  High ; will need to invest in a more robust food delivery service.  High; must find a way to focus of affordable pricing. |
| SOCIAL | Consumer trends  Fashions Consumer buying habits  Lifestyle factors    Career attitudes  Work-life balance  Population  demographics | Cultural diversity and preferences by region or country.  Our menu choices are mainly centered around fine dining options.  In some regions local demographic labour markets do not want to work in hospitality for minimum/living wage. | Medium, ongoing.  High; more research required to develop menu options suitable for food delivery.  High; dining establishments are not sustainable if understaffed. Might have to consider the total rewards package for staff to retain staff. |
| TECHNOLOGY | Automation Innovation Disruptive technologies Social networking Upgrades Robotics  Artificial Intelligence Security | Online side of the business is underdeveloped and overshadowed by in-house dining.  Is our technology fit for purpose now and for the future?  A preference for online food delivery is a popular trend and now a necessity due to Covid.  How appealing is our online presence?  Smartphone apps for ordering goods. | High; need to develop online intelligence and presence.  High; trend for customers order online online prior to visiting restaurant in person.  High.  High; Must consider hiring a social media manager.  High; look at options for signing up with existing food delivery services. |
| LEGAL | Employment law    Common law  Local labour law  Health and safety regulations | Wage rates and National Minimum Wage increases yearly.  Introduction of workplace pensions.  All staff working in hospitality are required to be Covid 19 vaccinated  PPE garment requirements for all staff working in hospitality | Medium, more research required.  Low; policy now in place.  Low; all staff have been vaccinated  Low; PPE garment supplies maintained for the next 3 months. |
| ENVIRONMENTAL | Environmental restrictions imposed by in-country governments  Sustainable resources CSR (Corporate social responsibility)  Ethical sourcing  Transportation  Procurement  Supply chain management | The rise in ethically and environmentally conscious diners.  Introduction and publicity of our ethical sourcing policy and CSR intentions.  Two of our competitors still out-rank us in using 100% organic produce. | Low.  Low, we support local suppliers with 85% of our produce sourced locally and organic which matches our CSR.  High; opportunity for us to match our competitors as we will be looking for a new supplier of caviar. Must source locally. |