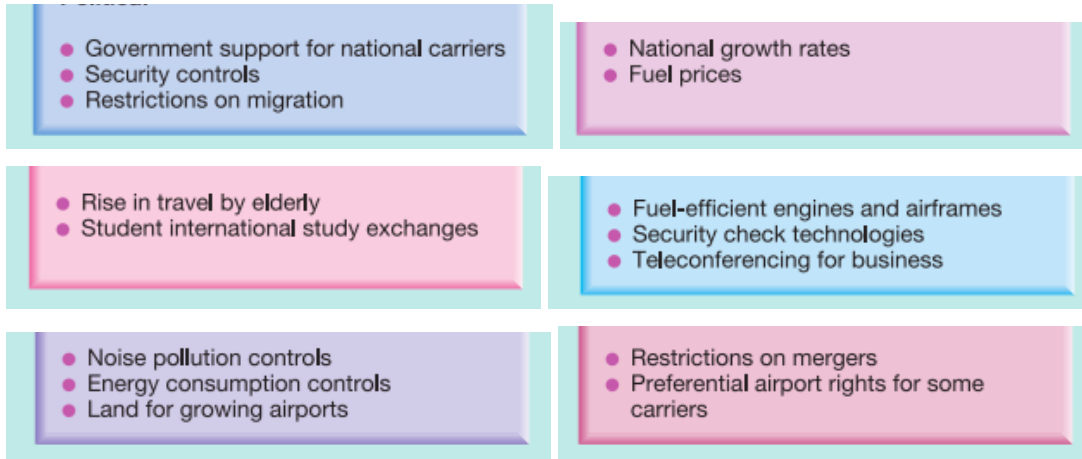


Case 1.1. External Analysis Macro Analysis - PESTEL framework

PESTEL analysis of the airline industry

Environmental influences on organisations can be summarised within six categories. For the airline industry, an initial list of influences under the six PESTEL analysis categories might include the following:



Match environmental influences with the related PESTEL category cell in the table. What additional environmental influences would you add to this initial list for the airline industry?

Political	Economic
Social	Technological
Environmental	Legal

Q1. What is the reason for making a PESTEL analysis?

Q2. From your more comprehensive list, which of these influences would you highlight as likely to be the “key drivers for change” for the airlines in the coming five years?

Micro Environment Analysis - Porter's 5 forces framework



Match the industry influences with one of the 5 Porter's forces cells in the table. Decide on the strength of each "force". Draw a graph.



The Threat of New Entry	The Power of Buyers	The Threat of Substitution	The Power of Suppliers	Competitive Rivalry

Q3. What is the reason for making a PESTEL analysis?

Q4. Make conclusions about the industry attractiveness.