

FROM PEST TO STEEPLE

Marketing environment audit factors

There are any number of models for describing **general** environmental factors. One in common use in the UK is SLEPT which stands for:

- **S**ocial-cultural
- **L**egal
- **E**conomic
- **P**olitical
- **T**echnical (or Technological)

Also included should be the **natural environment** in the list of factors.

SLEPT analysis is widely used in the UK for discussion of the general environment, so we shall use this framework. The sector approach conflates general with specific environmental conditions.

In addition, the natural environment is seen by many people as becoming an increasingly important element of organisations' macro environment. 'Environmentalism' is a concept which does not divide neatly into 'micro' and 'macro' environmental elements.

Each of the SLEPT areas are made up of factors that impact on the way the organisation operates, and the way it approaches its marketing. It affects decisions that organisations have to make at a senior level, as well as affecting marketing activity. Like other areas of planning, analysis of the environment has "layers", for example, corporate, marketing, marketing communications, advertising, selling. In this and following units we will look at each area in more depth. First let's look at the type of factors that fall into each category.

Area of the macro-environment	Factors for consideration	
Sociological	Demographics. Lifestyles Social issues	Education levels Attitudes Consumerism
Legal	Competition law Employment law Consumer protection legislation	Environmental protection legislation Foreign trade regulation
Economic	Business cycles. Inflation rates Patterns of ownership	Unemployment levels GNP trends
Political	Political and government stability. Political orientation Pressure groups	Taxation policies Trade Union strength
Technological	Developments in technology. Government investment in technology Product life cycles.	

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Other classifications

There are other frameworks that are used similarly to analyse the external environment - the table below shows how each of these link together.

PEST	SLEPT	PESTEL	LEPEST	PESTLEG	STEEPLE
Political (and legal)	Sociological	Political	Legal	Political	Sociological
Economic	Legal	Economic	Economic	Economic	Technological
Sociological	Economic	Sociological	Political	Sociological	Economic
Technological	Political	Technological	Ecological	Technological	Ecological
	Technological	Ecological	Sociological	Legal	Political
		Legal	Technological	Ecological	Legal
				Global	Ethical

- NB**
- Some classifications include Education as a separate "E" - this is particularly relevant for international marketing where country markets have different levels of general education.
 - Ecological is used here to refer to natural environment factors

Richard Daft (Organisation Theory and Design, 2010) proposed an alternative arrangement of ten 'sectors' in the environment, in no particular order, as follows.

Financial resources sector	Market sector
Industry sector	Economic conditions sector
Government sector	Socio-cultural sector
Human resources sector	International sector
Technology sector	Raw materials sector

(A mnemonic you could use here is **FIGHT ME, SIR.**)