

Effects of Demography, politics, competition & environment on business

Bhawana Miglani

Assistant Professor, P.G.D.A.V. College, D.U.

Abstract- Business has to fight for every dollar when times get tight and the economy slows to a halt. On top of all of this, they also have to make sure all their figures are right, comply with all the laws, and follow guidelines to properly maintain a legal business. Doing all of these tasks can be difficult but are manageable if a small business takes the right paths, makes the right decisions, and works hard enough. Small businesses have many barriers but with many hurdles overcome these business can succeed. Although business competition is exceedingly harmful to businesses themselves, we should all be glad that we as consumers can reap the benefits. Monitoring, understanding and adapting to the political environment is absolutely essential for any business, because it significantly affects every business.

Index Terms- Business, Economy, Environment

I. INTRODUCTION

Future being uncertain, all business activities involve many types of impact or risk. Environment also affects a business. There may be loss of assets due to fire, flood, storm, earthquake, cyclone, etc. There are personal risk due to accident, death, loss of goodwill or earning power, deterioration of health, etc. Environment plays a different role in business. There are different types of environmental factor which effects business.

RESEARCH ELABORATIONS

II. DEMOGRAPHICAL EFFECTS ON BUSINESS

- POPULATION
- LITERACY
- URBANISATION
- AGE STRUCTURE
- CULTURE
- GEOGRAPHIC REGION
- INCOME

The Statistical data relating to the populations and groups within it, used especially in the identification of consumer markets. It can be a very general science that can be applied to any kind of dynamic living population, i.e., one that changes over time or space.

Demography studies how populations changes overtime, in terms of size and structure.

III. GOVT. & ECONOMIC INFLUENCES ON BUSINESS

The health of the local and national economy, as well as the state of the international financial system, influences businesses of all sizes. **But the economy is not the only external influence on business, as governments can enact legislation that may dramatically impact a company's profit margins and the way in which it manages its employees.** Therefore, the business world must take into consideration economic realities, as well as possible interventionist policies on the part of the government.

IV. POLITICAL EFFECTS ON BUSINESS

- CHANGES IN REGULATION
- MITIGATION OF RISK
- INTERNATIONAL AGREEMENT
- FISCAL POLICY
- GOVERNMENT AND ECONOMIC INFLUENCES
- CRISIS TAXATION
- LABOUR LEGISLATION

The political environment in a country affects business organizations and could introduce a risk factor that could cause them to suffer a loss. The political environment could change as a result of the actions and policies of governments at all levels, from the local level to the federal level. **Businesses need to be prepared to deal with the fallouts of government politics.**

Politics and business are interrelated, as one of the most important success factors for a government is its economic policy. **Economic growth and the development of a stable, competitive environment for businesses is a top priority for local and national administrations.** However, political decisions, such as **trade bans or state monopoly on certain fields of the economy, can have serious effects on the world of business.**

V. ENVIRONMENTAL EFFECTS ON BUSINESS

- WASTE
- SUSTAINABLE DEVELOPMENT OF RAW MATERIALS
- EMISSIONS
- ENVIRONMENTAL RISKS TO BUSINESS
- CLIMATE
- FREQUENT EXTREME WEATHER
- DECREASED DEMANDS
- GLOBAL IMPACT

VI. RESULTS

Reduced gap in literacy rate between urban and rural areas – more informed and brand conscious consumer market opening up in rural areas.

More flexible labour markets, higher rates of female labour force participation, **more highly educated women, more open attitudes about women working and less illiteracy .**

Better infrastructure leading to more internal migration.

Higher **rate of migration is directly proportional to higher employment** , higher disposable income, bigger consumer market.

Rapid rise in the ratio of “working age” to “non-working age” population contributing to extremely fast economic growth.

India will add roughly 9 million people to its labour force each year over the next decade.

A company's products and services are more likely to appeal to certain age groups. **Younger people under 35 are often the first consumers to purchase high-tech products like cell phones, electronic books and video games.**

Environmental laws and good environmental citizenship prohibit the indiscriminate dumping of manufacturing by product, so businesses must decide how best to dispense with it. Many implement recycling programs, others sell what they can of the waste to other manufacturers who use it in their own manufacturing processes as raw material.

VII. CONCLUSION

People with lower incomes have less disposable income.

A company may best reach lower-income people through discount retailers and wholesalers and attract higher-income buyers in specialty retail shops.

AUTHORS

First Author – Bhawana Miglani, M.Com, UGC-NET, Assistant Professor, PGDAV College, D.U., bhamika25@gmail.com