

CLASSIFICATION OF INTERNATIONAL BUSINESS ENVIRONMENT



- MICRO AND MACRO ENVIRONMENT

- DOMESTIC FOREIGN AND GLOBAL ENVIRONMENT

MICRO AND MACRO ENVIRONMENT



- Micro environment can be defined as the forces in the firm's immediate environment which directly influence the firm's decisions and operations. These include suppliers, various market intermediaries and service organisations such as middlemen, transporters, advertising and marketing research agencies, competitors customers and general public.



Contd...

- Macro environment consists of broader forces which affect the firm as well as the other forces in the firm's micro environment. These include factors such as political, legal, economic, social etc. Firms need to continuously monitor changes in these environmental forces and devise strategies to cope with them.