

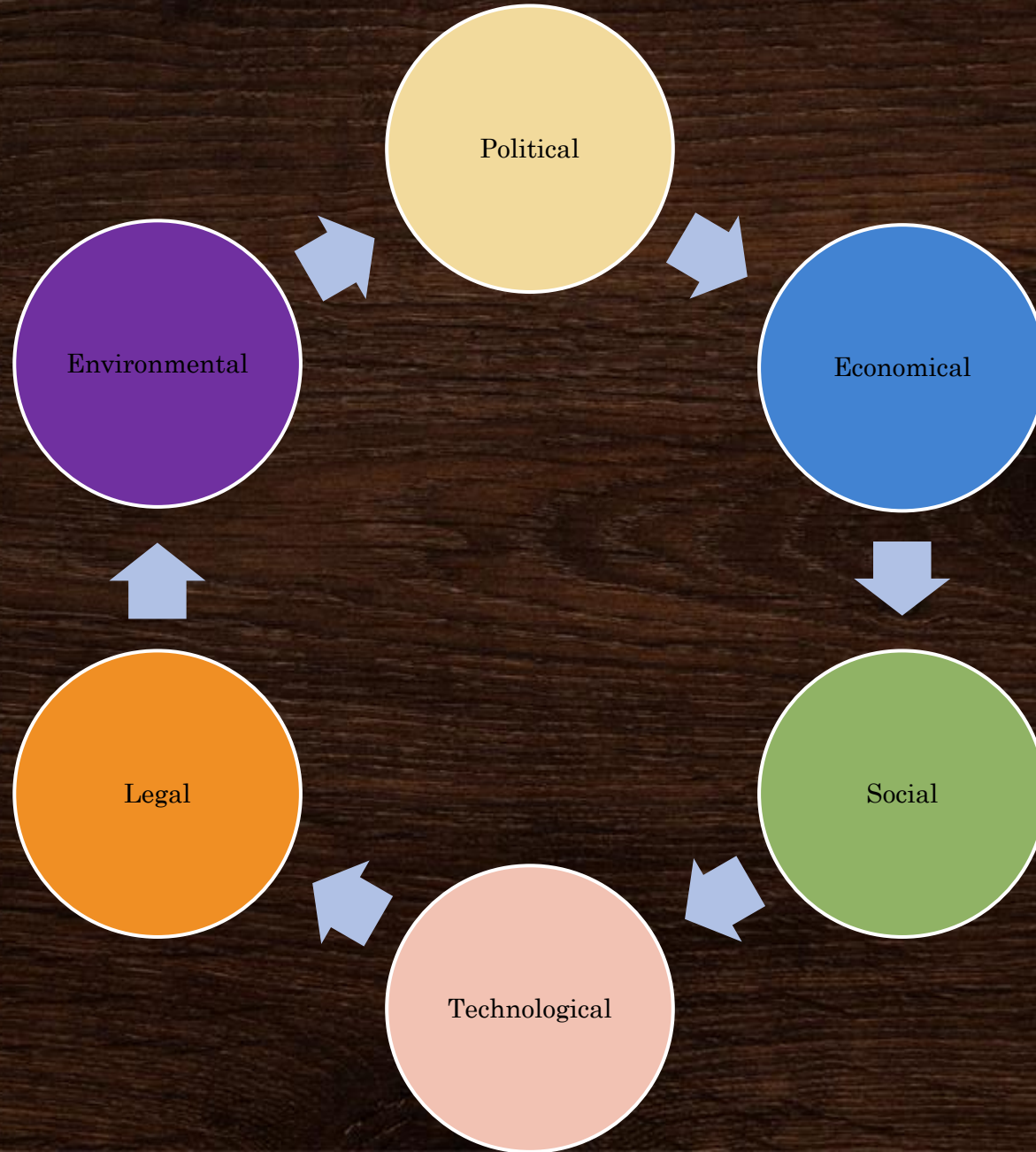
Introduction

COSTA COFFEE IN NORTH MACEDONIA

Brief History

- Founded in London in 1971 by Sergio Costa.
- Sold to The Coca-Cola Company in 2019.
- Has 3,401 stores across 31 countries and 18,412 employees.
- 2,467 of the stores are in the UK.

Pestle Analysis



Political Landscape

- Tax Policy

Income tax of 15% flat rate (18% in the UK)

18% VAT rate (20% in the UK)

- Political Stability

The average index is -0.47 (1996 - 2020)

- Corruption

Transparency International's 2017 Corruption Perception

Index ranks the country 107 out of 180.

The business is negatively affected by corruption.

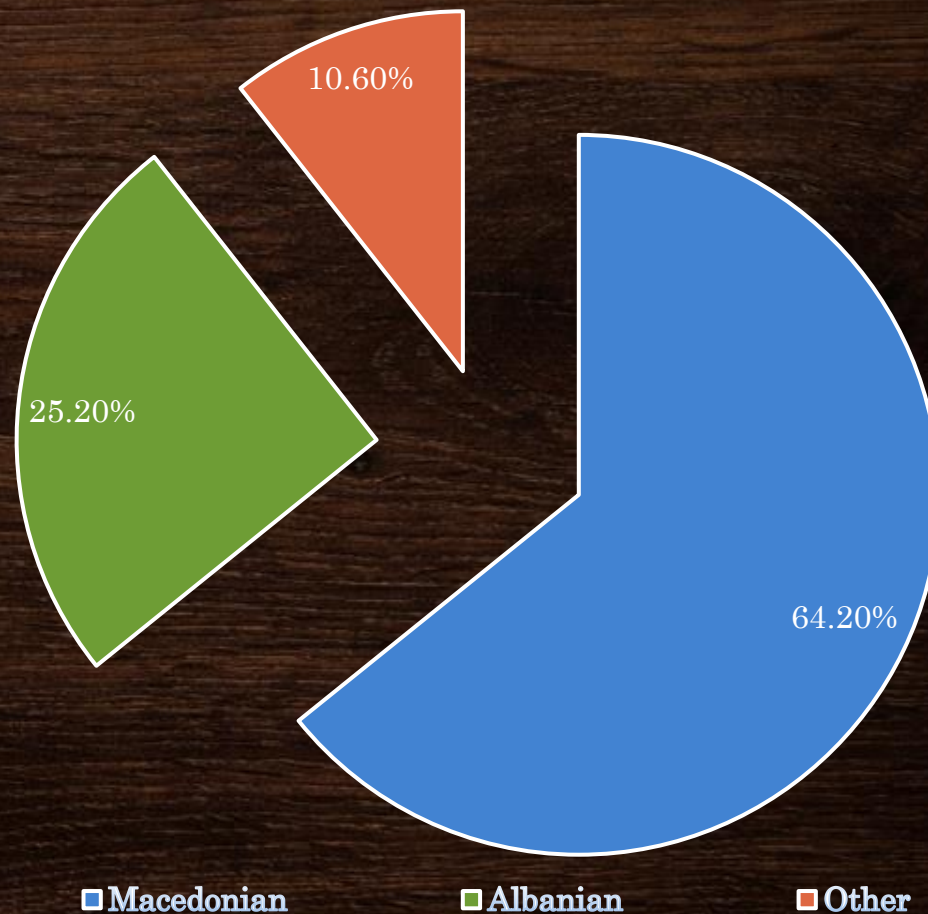
Economic Overview

- Currency – Macedonian denar 1 MD = 0.014 £
- Population – 2.083 million (2020)
- Gross domestic product – 12.17 billion USD (2020)
- GDP per capita – 5,888.00 USD (2020)
- Minimum wage – 239.68 £ per month (2018)
- GNI per capita – 16,280 PPP dollars (2020)
- GDP growth rate – -4.5% Annual change (2020)
- Gross national income – 33.91 billion PPP dollars (2020)

Social Landscape

- Strong Cristian Orthodox culture
- Islamic culture
- Jewish connections

The average age of the people is 39 years



Technological Environment

- Cyber security – Engaged with the Eu's Safer Internet Day since 2010.
- Internet availability
- Around 81% have access to the internet.
- Around 23% have their own fast internet connection.

Legal Overview

- The Standard working week is 40 hours.
- 8 hours overtime limit per week.
- People age 15 or over can be employed.
- Anti-discrimination law was reinstated on 27 October 2020.
- OPM is a non-profit organization whose aim is consumer protection.

Environmental Landscape

- Climate – warm, dry summers and cold winters with heavy snowfall.
- New laws on waste management. Recycling is encouraged.
- During winter Skopje is one of the most polluted cities in Europe.
- Tourism opportunities.

Opportunities and Challenges

- Tax policy is encouraging business.
- Cheap workforce.
- Good social landscape.
- Good technical environment.
- Opportunity for brand exposure.
- Opportunities for future expansion.
- Business can be affected by high corruption.
- Low population income.
- Small population.

Costa Coffee should consider opening a branch in North Macedonia.

