

Business Studies Unit 1

Business Location Factors

Key points for Locating a Business:

- Transportation Cost - closeness to suppliers
- Expansions Possibilities
- Target Market - how close do your customers need to be?
- Transport system / Infrastructure - closeness to motorways/ports/airports
- Employees - qualifications, skills, availability
- Government Grants - awarded to businesses that set up in areas of high unemployment
- Internet - Business online so you don't need to be close to customers , delivery costs
- Cost and availability - greenfield and brownfield sites

Why would a business relocate abroad:

- Job loss
- Higher Unemployment
- No franchise
- Liquidation
- New Technology
- Shareholders

Things to think about when relocating abroad:

- Language Barrier
- Rules and regulations
- Currency
- Equipment