

A1 Describe the following features of their two chosen businesses.

Location

Factors of Location

They need to know what they up against (competition). For example if there is a corner shop and you build another corner shop next to it, the new shop would make half the profit as much as they would make in a location where there is no corner shop around. Another example is that near Whitebirk there are different car show rooms one is BMW another Ford, Mini. The businesses all help each other as a customer would look at all the show rooms to have an idea of different sort of cars.

Industrial inertia means that the business doesn't move or doesn't change. There wouldn't be any customers or small amount of customers as there is hardly anyone interested in buying your products. No one would buy the products so the business would make a lost.

Distance to market- the people who buy the products. If your setting up something like the paper shop for people of the local public. Depending on the business you would locate your business would be located near the customers. If you're a corner shop you would need to be near the market, if you own a corner shop near an industrial area you would get the odd customers, whereas if you locate the corner shop near a public area there is more likely to be customers. Another example is a postal order then you don't need to be near the market because you are using the postal system, the customer doesn't need to come you, you would go to them.

Climate- depending on the weather for example in Blackburn it is normally raining so if you set up a business with umbrellas you would get a lot of the customers as people would want a lot of umbrellas. Whereas if you set up an umbrella shop in Spain where it is mostly sunny the umbrella business would not make a lot of profit as the weather does not reflect on the umbrellas.

Availability of land- depending on the type of business you would need a large amount of land. So if there isn't a lot of land for the business there would be no point of setting up it up as there wouldn't be a lot of space.

Cost of premises- if it is very expensive, you might decide to locate somewhere else. If you decide you want to go to the town centre it would be more expensive to rent as there are more customers going in and out of town. Whereas if you buy a shop on the outskirts it would cost less as it is not commonly known to the public.

Location of raw material- if you are at the opposite end of the country and the materials are at another end you would have to pay for the materials being transported to you. Also during the credit crunch it would make sense to have your business near the raw materials business, as it would cost a lot for fuels. It would be a factor of location to see how far you are from your raw materials.

Government policy, eg grants, rates etc- the government in some areas they give out grants this is because when you set up a business you employ people. The employment rates go down and the government like it when people get employed as they don't have to pay as much benefits to the people who are unemployed and also they would get tax and national insurance from the people who are now employed. They are

encouraging people to open businesses as they would get more employed people and cheaper for them. At one point the council (government) was offering grants to set up businesses near Whitebirk as there weren't a lot of businesses.

History and tradition-promethean fall into this category, Historical Tony Cann always had been there because he lived around this area. Blackburn rovers wouldn't suddenly move to Bolton, as they are playing for Blackburn and stayed here for a very long time.

Utilises- All businesses that have an employee (can be more than one) have to provide facilities to use the toilet and the hot and cold running water. So obviously they need water this is a legal requirement. It is going to be a factor, if you employ a person by law they have to provide the above. Location depends on facilities. For example if you locate our business on the top of the mountain there wouldn't be mains gas then the business wouldn't be able to set up. Also a telephone may be for example customers might want to ring up. Also internet, if you were setting up a business with a site then you would have online shopping etc you would need internet access.

Transport and communication- Some businesses need to transport products out to customers; it might be a factor to locate the business near main roads, railways, airports and the sea? Are you able to get your goods out to our customer? Are you able to get our materials into business, roads train airplane or sea. You need transport links. Also good telephone and internet connection (broadband) etc.

Labour Supply- If you need people to work in the business, you would need employees near the business. People generally don't want to travel for a long time. If you're a specialist business would need to be near employees. Can you get the employees you need in that area? It would be a possibility locating near a large population or near a university or college where they train the people in that particular job. If it's a specialized job they would need a lot of training so they would need employees who are trained to do it. Are there people in that area who can do those jobs?

Personal reasons-There might be personal reasons eg if you're a mother with small children you might want to locate your business near the school so you can pick them up easily. The owner of Promethean Tony Cann had personal reasons as he wanted to set up near where he lived. There are all sorts of reasons why people set up on a certain location; the business wouldn't have to be generally a large business. Friends may be a main sort of customers as they would have a bond with the business.