

1.1.5 Choosing the location of the business

One of the most important decisions when starting a business is your choice of location. Location can effect cost and demand and have a big impact on the success of the business. What are the factors influencing the location decision.

1. Why is location important?
2. What factors can influence the start up location?

Type of business

Availability of location

Competitors

Availability of raw materials

Availability and cost of labour

Transport Links

Technology

Costs

To help us in our lesson we are going to go on a virtual field trip with year 10 !

Test

1. Why does the location of a business matter (4)

2. What factors might influence the location of a new ? (6)
 - a. Hotel

 - b. Coffee shop

 - c. Mobile phone shop

 - d. Plastics factory

 - e. Computer games developer

 - f. New Secondary School

- 3) Why might getting the best location be difficult for a start up business than an established one? (3)

- 4) Name two types of businesses that you think that you can easily run from home?(2)

5. Name two types of businesses that need to be located near their supplies? (2)

3. Explain two advantages of setting up as a PARTNERSHIP rather than as a SOLE TRADER?(4)
4. Explain two advantages of setting up as a PRIVATE limited company rather than as a SOLE TRADER? (4)
5. Explain two advantages of setting up as a private limited company rather than as a SOLE trader (4)