

Location of a business argumentative essay



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Businesses need to find a good location for their business. This is because if they fail to find a good location, they won't attract many customers.

The fixed costs have to be paid each month. This includes rent/mortgage, bills and wages. This means that the business is paying money for something which is of no use to them. Relocation and transferring goods to it are costly and not easy.

Rent is also expensive and businesses need to make sure that they get it right the first time. All these factors will result in their business failing, causing their investment to go to waste. Venetian Ices, likewise, have to find a good location the first time round. There are many factors affecting a business.

These include: Transport links 80% of deliveries are made by road. This is also the most common way businesses receive their raw materials. Air and rail transport are also under this category. However, air transport is quick but too expensive and rail transport is cheap but also unreliable in this country. Venetian Ices don't need air and rail transport as they don't require large amounts of raw materials as ice cream can be transported with ease.

Nearness to markets Businesses need to locate their business near their target market. This will increase their chances of attracting customers and, therefore, increasing sales revenue. Venetian Ices also need to locate their business near to high-population that likes ice cream. They can achieve this through market research. This is because their product is an impulse buy.

This means that people don't plan to go out and buy ice cream with their shopping. Transport links Businesses need to make sure that their business is easily accessible, both for customers and staff. This is because a deprivation of either factor will cause the business to not run smoothly. Venetian Ices need to make sure that the location they choose has enough people to come and work for them. They also have to employ staff with the right qualities i.

e. people with the right educational and training background. They also have to be available at the right price. Access to markets Some businesses need an awful lot of raw materials. This is called a Bulk Gaining Process.

They need to locate near their supplier. An example of this is Vauxhall in Birmingham. Their supplier is across the road. This is because the cost of transporting the raw materials is quite high, as they need a substantial amount.

Other businesses, like Venetian Ices, use a Bulk Reducing Process. This means that they don't require a lot of raw materials and can locate their business away from their supplier and near their market. Access to market Businesses need to attract customers. This means that they need to locate their business near their target market.

If customers don't come, there's no business! Venetian Ices also need to consider this factor carefully Cost of land Businesses need to consider how much the land costs where they are going to locate. It makes no sense for a small shop selling toilet tissue to pay £3,000 a month as rent just to get a location in the town center. Rent/mortgage is also a fixed cost. This means

that businesses will have to pay these costs whether they make a profit or not. They should also consider the desirability of the area in case they want to sell it/relocate later. Venetian Ices also need to consider this factor very carefully as a wrong decision might result in huge losses for the business.

Planning permission All businesses need planning permission for the structural change that they require in the location/building now, and for expansion later. This might involve the size of expansion allowed, as it might conflict with a “ green belt” or the restriction of the height of the building. The building could also be required to have certain structural restrictions imposed to preserve the building. Venetian Ices need to ask/check for the planning permission at their location, as this might hinder the purchase or the expansion of the business at the later date.