

Regional distribution centre report

[Finance](#)



Introduction:

My company that I work for is currently expanding and has recently opened several new superstores on the outskirts of large urban areas. The existing distribution centers, which supply stores, are finding it difficult to meet the increased demand. So, the company has decided to set up a new distribution centre in an area, which has a mixture of old supermarkets and new superstores.

Mileage:

Mileage is one of the most important factors on this survey and research that I am doing and Prime thing that I have to look for is how far it is from the motorways and the supermarkets. In my opinion location C has got the best mileage and the one with the least mileage is D.

Accessibility:

Accessibility is not as important as mileage but it is still a convenient factor of the research and has to be considered very deeply. If the place has plenty of doors and garages, then it would be more convenient than a store with less doors and garages for the trucks or lorries to take our stock to the superstore. The best one again is location C and the worst one again is location D. But we have to remember that some locations are better at other things than at some things.

Suitable Land:

Land is vital for the company because we need lots of space for our staff to store the products from our regional distribution centre. 6 acres would be good enough for us. The location that strike me first location A, as it has 20 acres of land which is over three times more of what we actually wanted. And the worst one was location C. In the factors above us, it was the best and now it is the worst for the land. And not everything can be perfect, you cant have a location which scores five out of five for everything.

Cost Of Land:

Now we are coming to the financial side of the operation and it is the thing that we have to consider before buying the location that we decide. Price is an enormous factor for everything not just regional distribution centers. The best priced location was location D, this was the location which had scored poor ratings in all the other factors and now has appeared top for the price. And the worst priced location was location C. This location did really well with the mileage and the accessibility but is very pricey. It would not be a good idea to buy this location if the company does not have a large budget.

Setting Up Cost:

Well, some locations do not need much work but some do and this could cost the company quite a bit. The location that really well was location E which has not exactly had that good factors in it. And the location that has done really badly or the worst was location B, this location is out of the picture as it was not good use to us.

Labour Force:

<https://assignbuster.com/regional-distribution-centre-report/>

Where ever a business moves and there are job opportunities people would try really hard to get one so that's why we are considering to move to a place where there is a high unemployment and, the people should be skilled or have had experiences and we should be able to offer them low salaries. If we can make this happen, this could have us thousands of pounds every year. The location that has a good labour force is location D. This is truly the best location so I am considering of buying this. And the location that has done not so well in this important category was location A.

Evaluation:

In my opinion and my research I think that Location C is the best location because the cost of the land is really good, there is plenty of cheap labour, it scored top on the environmental factors and it almost came top in setting up. But two main things that it lacks is the mileage as it is very far from motorways and the accessibility is not good at all.