



Decide on a business location

Choosing the right location for your business can be a complex task and may have a significant impact on the customers you attract and new and existing staff, as well as the suppliers you deal with. It can also be a big investment in time and money. You will need to consider public transport links and access by road for customers, suppliers and business partners. Many businesses rely on a local network of other businesses to provide printing, IT support, office staff, legal and marketing services, your new location may

require setting up a new support network and you should be clear on the advantages of a move.

This involves:

1. working out how close your business needs to be to key people, such as customers, competitors, suppliers, and any staff
2. considering various location options
3. deciding which location most meets the needs of your business in the short and long term

What you need to do

- work out where your customers are and how close you need to be to them
- decide how close your business needs to be to suppliers and business services
- decide how close your business needs to be to your existing staff
- investigate where there are sufficient skills available for your future staffing needs
- decide how close to other competitors or related businesses you want to be
- decide on the need for access to transport links for customers, suppliers and staff
- investigate what incentive schemes or enterprise zones are available and any conditions involved
- make a list of location options
- calculate the financial affect of different locations on your business
- investigate the legal requirements you need to take into account when you decide on your needs for a business location
- consider the advantages and disadvantages of different locations



What you need to know and understand

Suppliers

- how your location will affect the service suppliers provide to you. (For example will they increase their charges if your new location is further away from them, or will you need to source new suppliers.)
- what business services you need to use on a regular basis and how close you need to be to them. (For example bank or post office.)

Competitors

- the impact your competitors will have on your choice of location. (For example is it important to be near your competitors or related businesses as that is where customers expect to find you, or is it more important to be located away from other competition.)

Staff

- what effect different locations will have on your existing staff. (For example will they have to travel to work, will a new location help with motivation.)
- what options are available for staff regarding their place of work. (For example do all staff need to be based at the new location, or could they work from home, or both.)

Skills

- how to identify what future skills your business needs as it develops
- how to identify whether there are sufficient skilled people in the location to meet future need

Business location

- who your customers are and where they are located
- how your location will affect the service you provide to customers (For example do you need to be in a location accessible to customers or attract passing trade; or is most of your business conducted by telephone or on the internet.)



- what the different location options are and how to evaluate the advantages and disadvantages of them. (For example working from home, a rural, urban or possibly an overseas location.)
- what incentives are available to small businesses to attract them to certain locations. (For example start up grants, subsidized premises or incubator units, enterprise zones, additional support packages.)
- what access is needed to transport links for you, your staff, customers, and suppliers. (For example road, rail, air or sea ports.)
- what facilities are available locally. (For example leisure facilities, childcare, libraries, post office, shops or bank.)
- how different locations will affect fixed costs, cash flow and the profitability. (For example business rates and congestion charges.)

Laws and regulations

- what the laws and regulations are that apply to your type of business, and how this may affect your choice of location – you will need to think about national and local requirements

Information and advice

- where to find advice and information on finding a suitable location. (For example an estate agent, location finder or business adviser.)

