

Knockout.Economics by Kru P'Eve & Kru P'Da

IGCSE -Business studies

Location decision

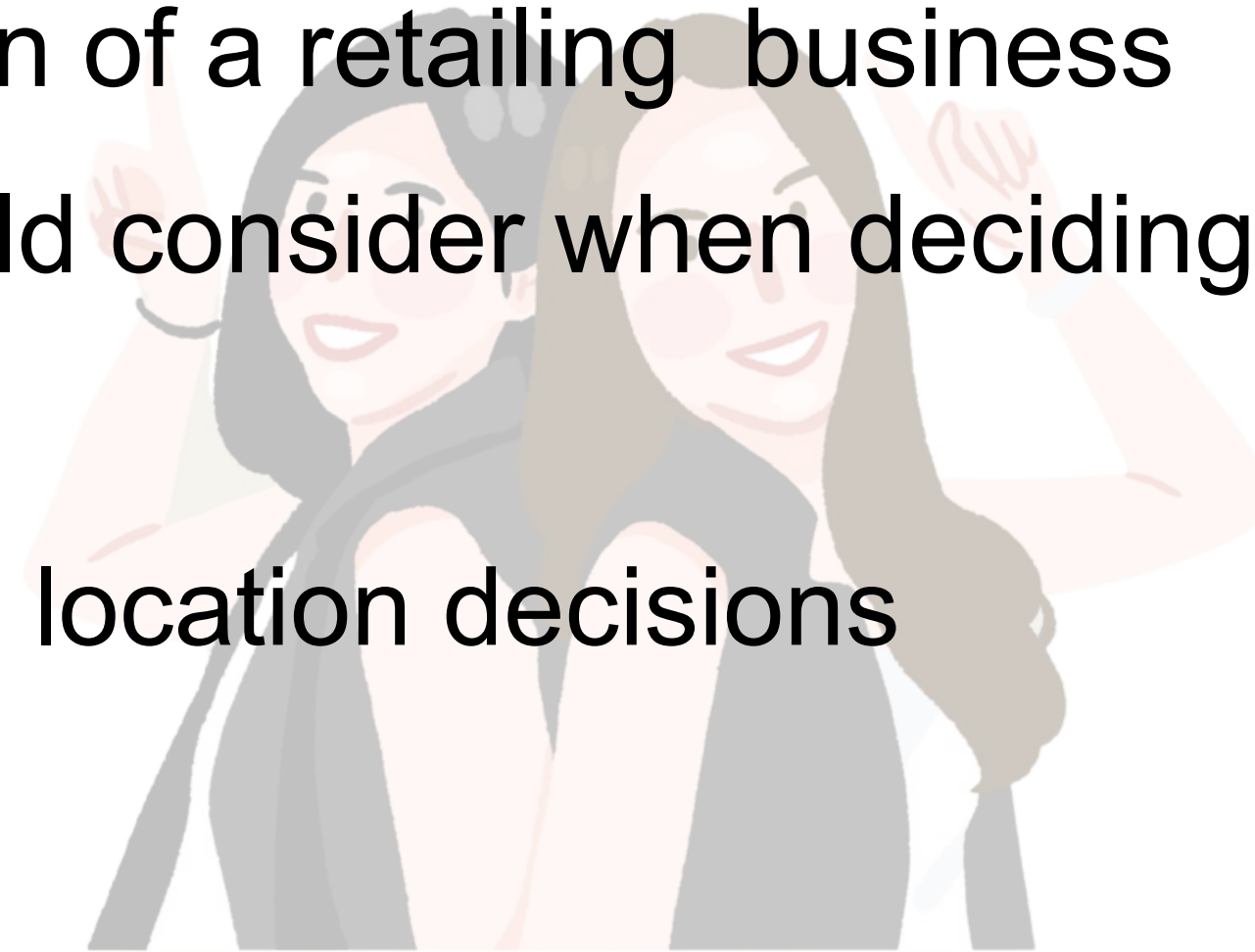


- Executive summary IGCSE Business studies
- Series of exam questions each chapter
- Exam Strategies and exclusive tips to achieve A* from Knockout.Economics
- Exclusive Key Terms for IGCSE Business studies exam

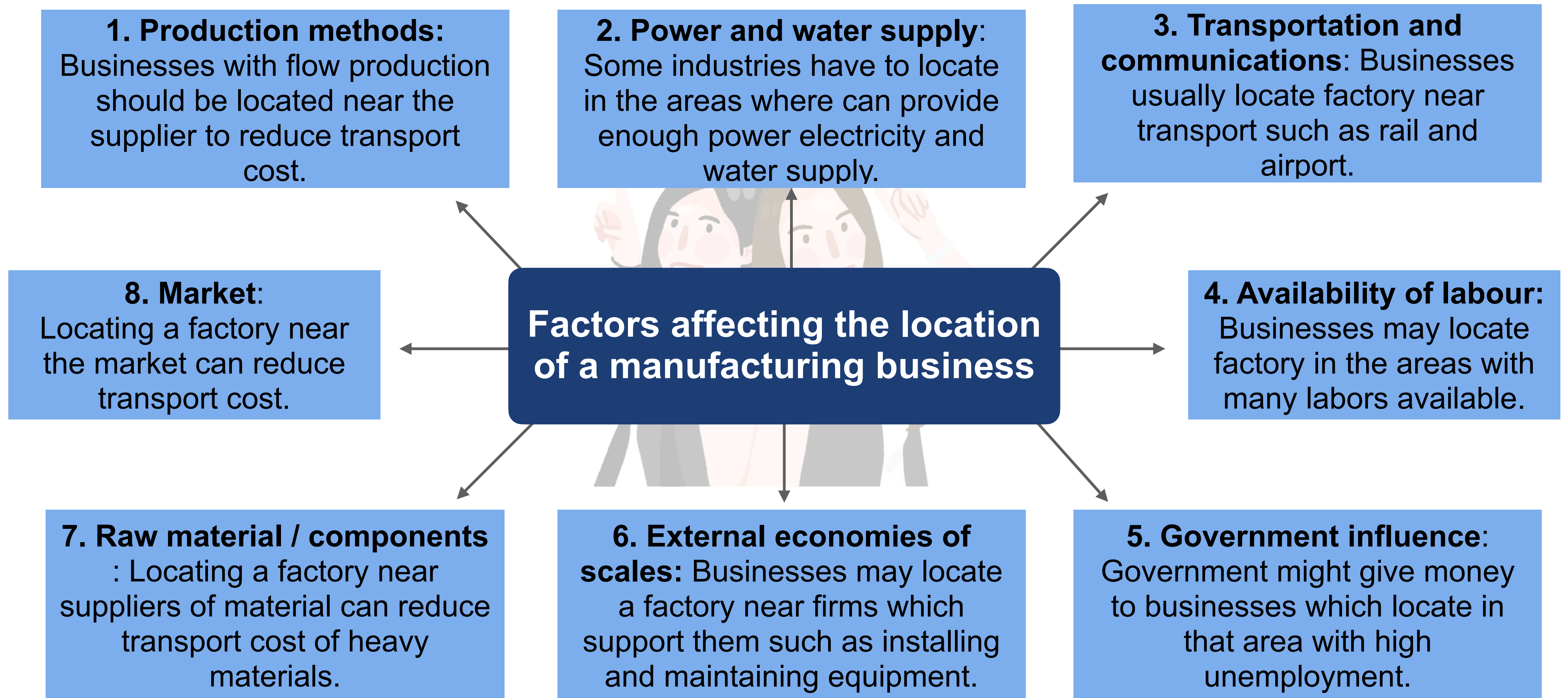


Overviews

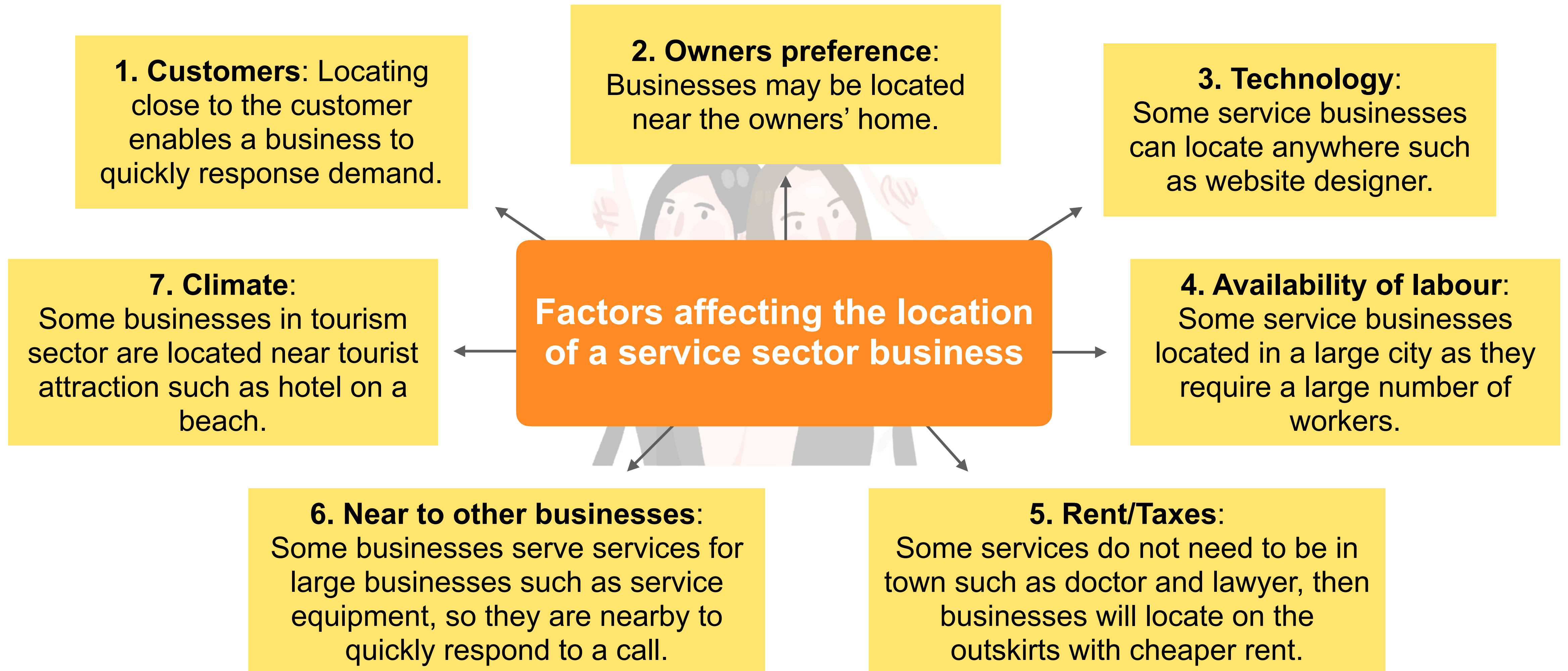
1. Factors affecting the location of a manufacturing business
2. Factors affecting the location of a service sector business
3. Factors affecting the location of a retailing business
4. Factors that a business could consider when deciding which country to locate operations in
5. The role of legal controls on location decisions



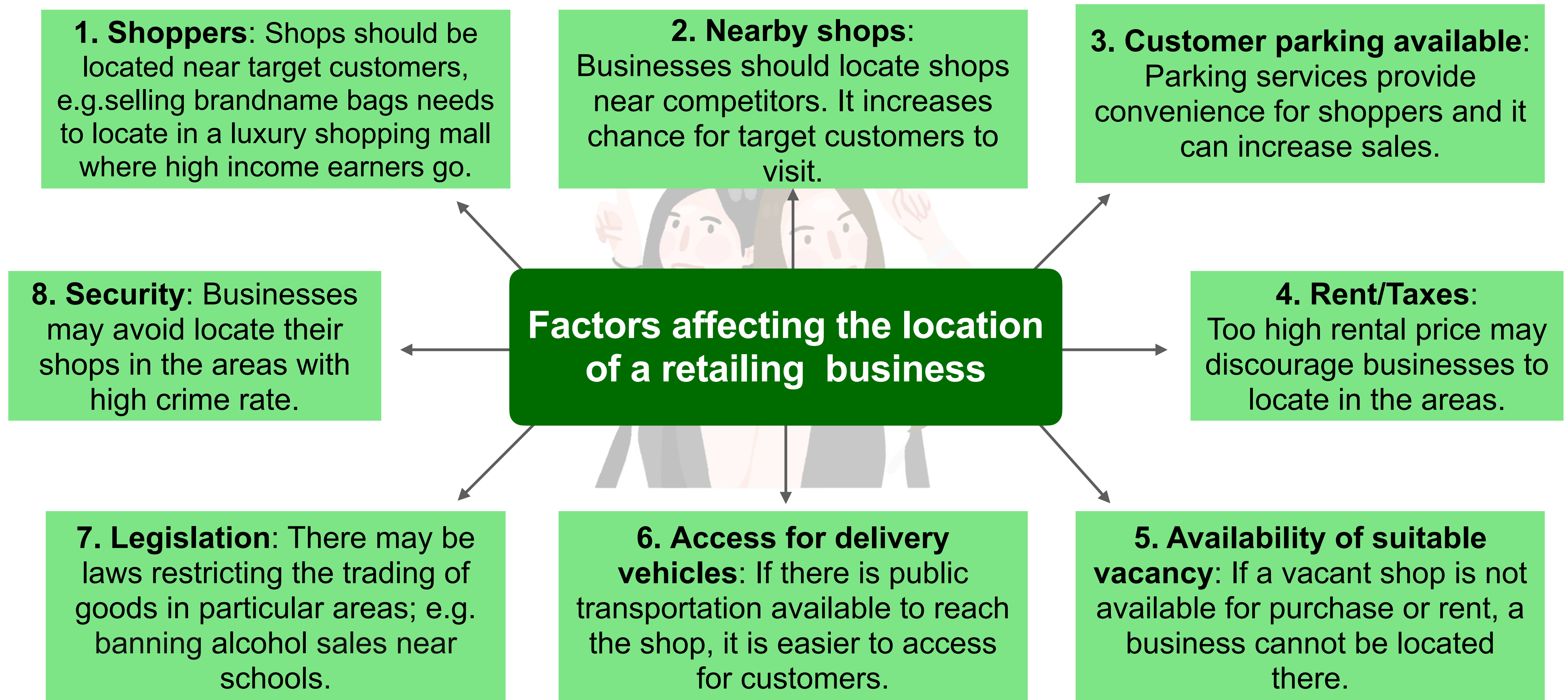
1. Factors affecting the location of a manufacturing business



2. Factors affecting the location of a service sector business



3. Factors affecting the location of a retailing business



4. Factors that a business could consider when deciding which country to locate operations in

- 1 New market overseas:** locating in the countries with high economic growth or high opportunity to expand business and get market share.
- 2 Cheaper sources of materials:** Locating in the countries with cheaper raw materials such as oil.
- 3 Labour force and wage costs:** Locating in the countries with cheaper wage for the labour-intensive business.
- 4 Rent / taxes consideration:** Locating in the countries with lower rents or taxes.
- 5 Availability of government grants and other incentives:** Locating in the countries with providing tax incentives for MNCs investing in their country.
- 6 Trade and tariff barriers:** Locating in that countries to avoid tariff and trade barrier.

5. The role of legal controls on location decisions

Legal controls on location decisions of businesses

To encourage businesses to set up in areas

Reasons why governments encourage businesses to set up in the areas

- To create jobs
- To develop areas

Measures to encourage businesses

- Grants or subsidies

To discourage businesses to set up in areas

Reasons why governments discourage businesses to set up in the areas

- To reduce overcrowding in the areas
- To protect natural beauty.

Measures to discourage businesses

- Regulations: it restricts and controls business activities in some areas.

Knockout Economics



Line :@ Knockout.Economics



FB Page : Knockout.Economics



IG : Knockout.Economics



Youtube : Knockout.Economics

Knockout.Economics by Kru P'Eve & Kru P'Da

IGCSE -Business studies

Exercise: Location decisions



- Executive summary IGCSE Business studies
- Series of exam questions each chapter
- Exam Strategies and exclusive tips to achieve A* from Knockout.Economics
- Exclusive Key Terms for IGCSE Business studies exam



Exercise

ABC is a small manufacture of handmade furniture in Thailand. The company has 27 trained workers. The manufacture is currently located in central business district, Bangkok and ABC is planning to relocate to a new location.

1) Explain **two** factors ABC should consider when deciding on the location of a new factory *in the same country*. [4]

Factor1:

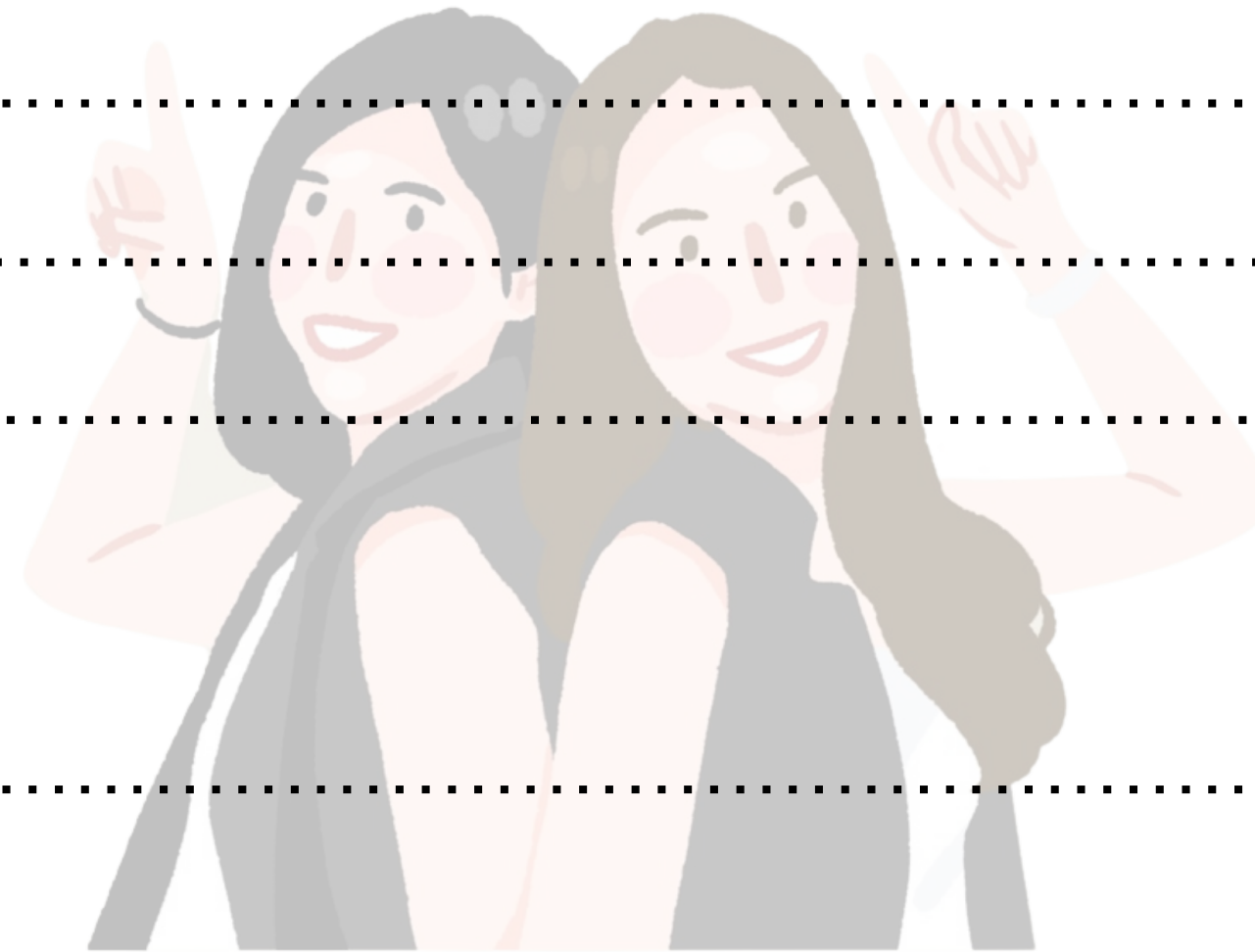
Explanation:.....

.....

Factor2:

Explanation:

.....



Exercise

ABC is a small manufacture of handmade furniture in Thailand. The company has 27 trained workers. The manufacture is currently located in central business district, Bangkok and ABC is planning to relocate to a new location.

1) Explain **two** factors ABC should consider when deciding on the location of a new factory *in the same country*. [4]

Factor1 **Rental price**

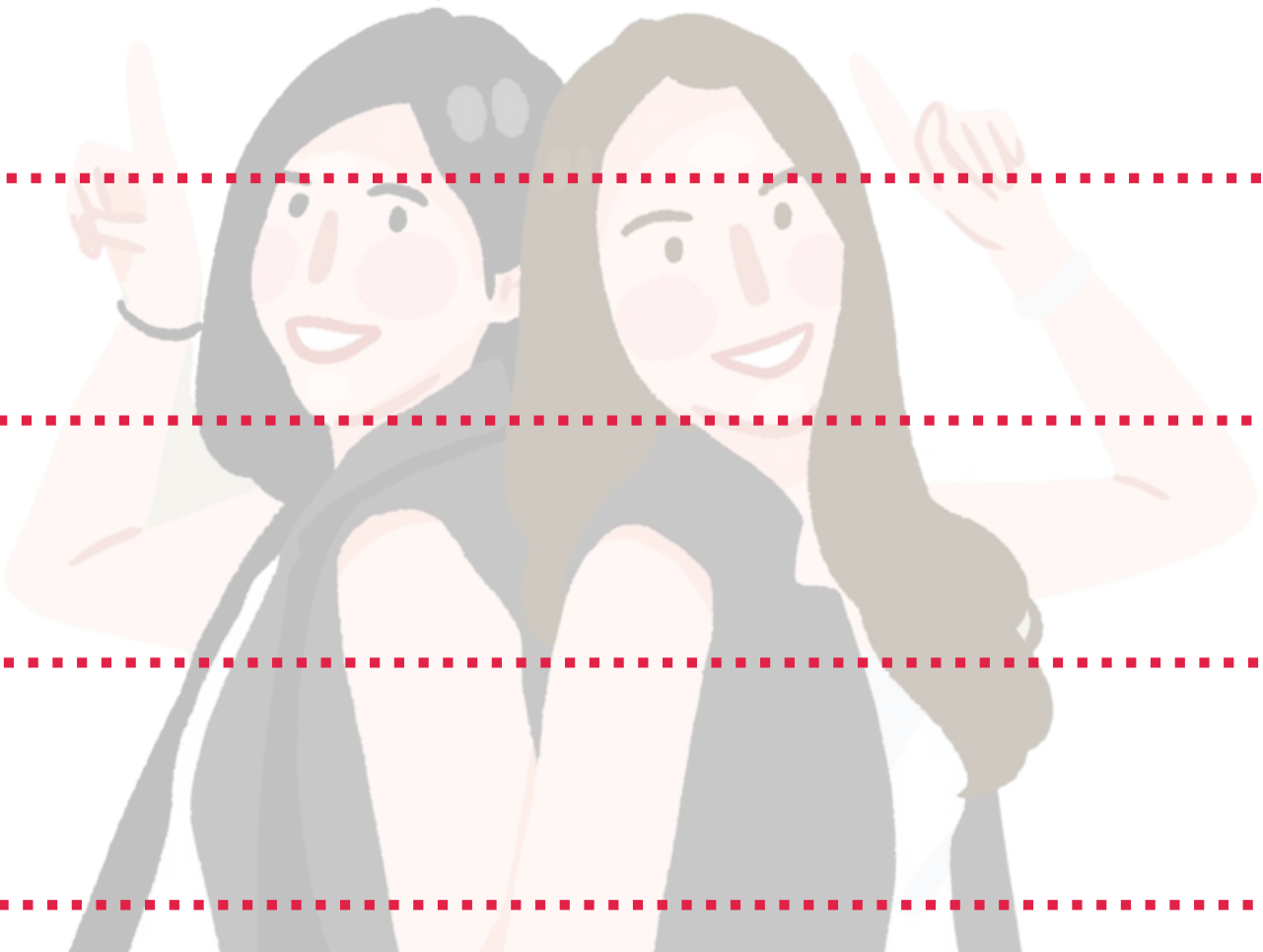
Factor2 **Availability labour**.....

Factor3 **Wage**.....

Factor4 **Government subsidy**

Factor5 **Access to suppliers of raw materials**.....

Factor6 **Transport / communication**



Exercise

ABC is a small manufacture of handmade furniture in Thailand. The company has 27 trained workers. The manufacture is currently located in central business district, Bangkok and ABC is planning to relocate to a new location.

2) Explain **two** factors ABC should consider when deciding on the location of a new factory *in another country*. [4]

Factor1:

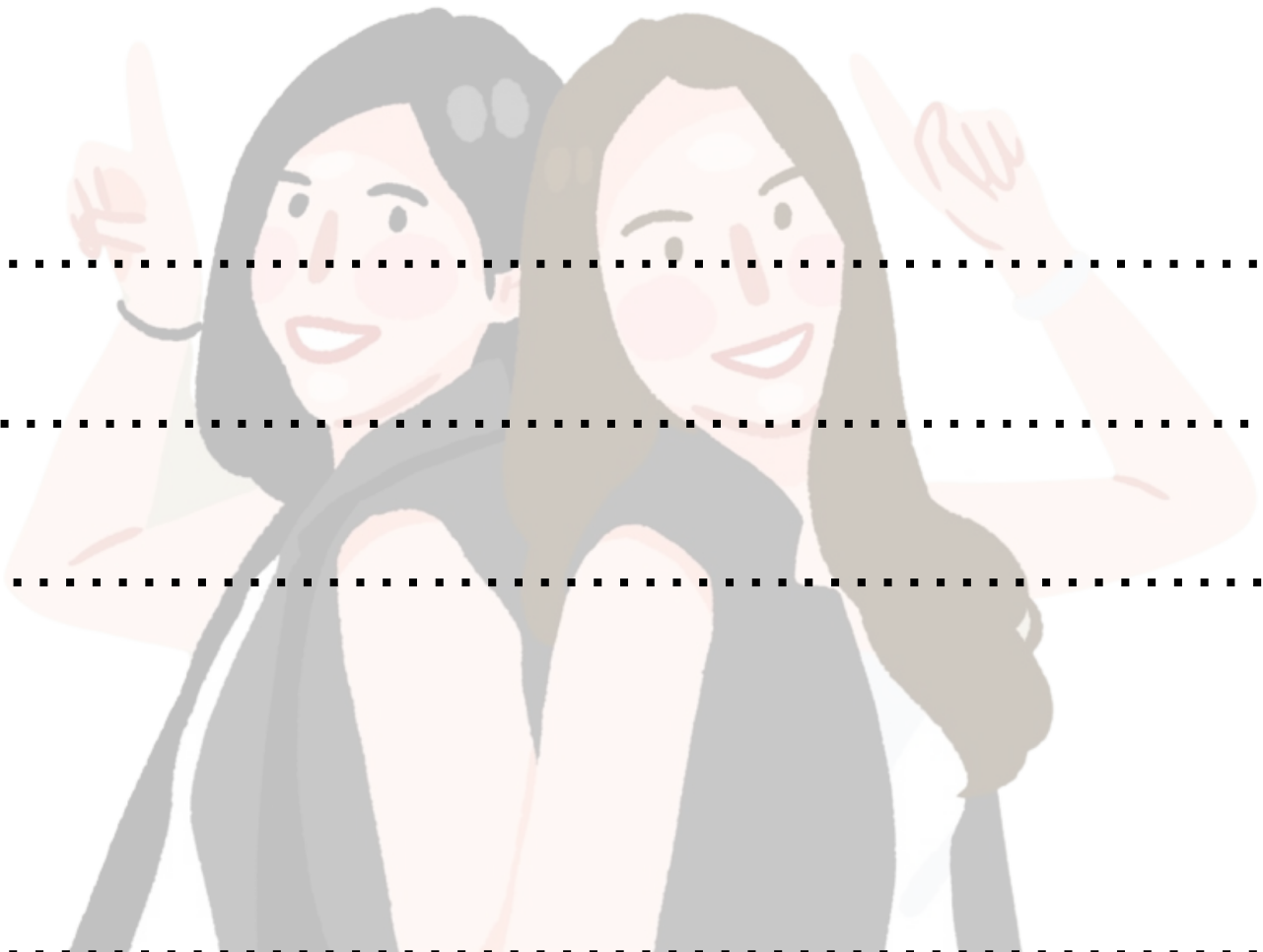
Explanation:.....

.....

Factor2:

Explanation:

.....



Exercise

ABC is a small manufacture of handmade furniture in Thailand. The company has 27 trained workers. The manufacture is currently located in central business district, Bangkok and ABC is planning to relocate to a new location.

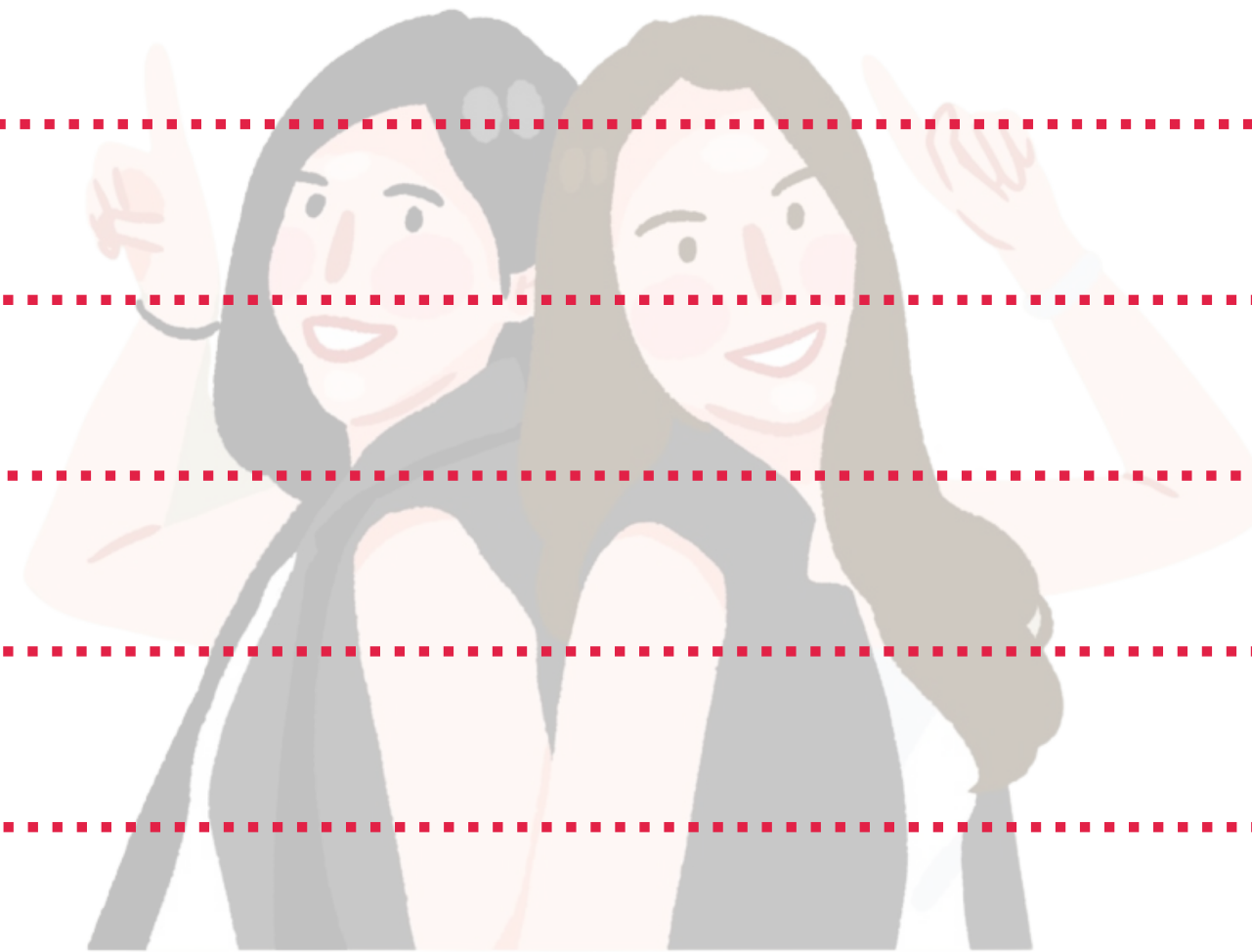
1) Explain **two** factors ABC should consider when deciding on the location of a new factory *in another country*. [4]

Factor1: Cheaper sources of materials.....

Factor2: Labour force and wage costs.....

Factor3: Rent / taxes consideration.....

Factor4: Availability of government grants.....



Knockout Economics



Line :@ Knockout.Economics



FB Page : Knockout.Economics



IG : Knockout.Economics



Youtube : Knockout.Economics