

10 Things to Consider When Choosing the Best Location for Your Business

Choosing a location is one of the stepping stones in [starting a business](#) of your own. According to an article by Jason Luthor in Azcentral.com, various research and studies found that location is among the most significant factors for a business's success. So in order to grow business potential, you have to invest a lot of time and effort in selecting an excellent location for your business. As countless businessmen, business advisers, and entrepreneurs have expressed, location can make or break a business. We will help in making your business successful by sharing our knowledge in choosing the best possible location.

Style of Operation

The nature of your business greatly affects your choice of location. A location should make it possible for your business to operate in the manner it should operate. For example, if your business is selling corporate and condominium real estate properties, you shouldn't set-up your office or headquarters in a rural area. Instead, establish your location in an urban area where many corporate companies and city people can fill your clientele. Thus, allowing your real estate business to operate consistently. Additionally, a location must have nearby resources necessary for the operations of your business.

Competition

Determining if other businesses offering the same products and services are present is one of the things to know in selecting a location. The presence of competition can be good or bad, depending on what kind of business you have. For instance, if you plan to open a restaurant or cafe business, a competitive location can be good. The market in the food and beverage (F&B) industry tends to explore and try other cuisines and dishes for the experience. In that case, your restaurant or cafe can spark interest in the market, especially if its location is a hub for excellent F&B establishments. But if you plan to open a barbershop, convenience store, or shopping store, a competitive location isn't advisable. Such businesses that have been in a certain location for a long time are already trusted and relied upon by their regular customers. If you join in, it could be near impossible to win the trust of the location's market.

Accessibility and Parking

Can people access your store or office with ease via foot or vehicle? Will there be enough parking spaces to accommodate the daily average number of customers with cars visiting your business? Those are the questions you need to answer in selecting a location. In terms of accessibility, you have to assess whether a location is accessible for pedestrian visitors, including those with disabilities. And, of course, cars should be able to access your business. We all know that most people nowadays travel from one place to another with their cars. Speaking of cars, parking spaces is a matter of concern. That said, you have to check if a prospective business location can cover sufficient parking spaces. To sum it all up, if your business location isn't accessible and has minimal parking spaces, people will find it inconvenient to visit; some might not consider visiting it in the first place.

Safety

Of course, safety is always a concern in anything you plan for your business, especially in surveying a good location. The possible location of your business should be an area free from criminal activities, road hazards, environmental hazards, low-quality building structures, and many more. Those elements jeopardize the safety of every individual involved in your business, including your customers. Other than that, it's absolutely ill-advised to do business in an unsafe area. Even if risks are minimal, potential customers are likely to ignore your business for their own safety concerns. For those reasons, government bodies require business owners to obtain safety [licenses and permits](#) before settling their business in their chosen locations.

Cost - How Much You Can Afford

One way of achieving [smart goals](#) for your business is to minimize costs as much as possible. Choosing a location that's cost-effective is an excellent approach for that matter. Depending on your [budget plan](#), rent or purchase a property that's affordable and strategically located. Purchasing or renting a property for your business's location might be a hefty expenditure for your finances, regardless of your budget, but it's a necessary investment. If you've chosen a great location, your return on investment (ROI) rate will be high, and your business will boom in the long run. Therefore, making your business's location a cost-effective expenditure.

Demographics

"Know your target market" has always been a mantra for the [branding](#) and marketing process of start-up companies. It should be as well for your infant business. Once you have a clear view of who your target market will be, you can identify if the demographics of a location are compatible with your products and services. You have to ask yourself, do the locals of a location need my business offers? Or, will they be at least interested in my products and services? If the answer's yes, then establishing your business in that locality is an excellent idea.

Zoning

Zoning refers to the division of land areas in a town, city, or locality. In establishing your business in a certain property, certain zoning policies might apply which limits the size of your vicinity. Other zoning policies even regulate the use of land properties for commercial and industrial purposes, which prevents the use of oil and other manufacturing materials. There's technically nothing you can do to change these zoning policies. All you can do is work your way around them legally, and make the most of your chosen business location.

Traffic Patterns

Traffic is inevitable, especially in urban areas with large populations. If the traffic patterns of a location, including foot traffic, are usually heavy, then doing business on that location is good because of the huge number of potential customers. However, heavy traffic patterns can hinder the flow of supply for your business due to congestion on the roads. Simply put, traffic patterns have positive effects and negative effects, and you should analyze them to give your business an edge.

Growth Potential

A certain location must have the potential to [grow your business](#) and expand its reach in the market. If you establish your business in an area where there are very limited opportunities for growth, it's bound to be stagnant and might even become irrelevant in the longer term. Establishing a business in a good location is like planting a seed on fertile soil.

Proximity to Other Businesses

[Naming your business](#) is one way of differentiating it from other businesses. And, another good way is measuring your proximity with them, especially those that are your direct competition. If your business fits in well in a perfect competition market, there's basically no need to measure your proximity with other businesses; but if otherwise, you have to. Keeping your distance from other businesses will help you obtain your own customers. Plus, there will be minimal competition, which means you'll have more control in pricing your products and services to your favor.

The line between success and failure in choosing a business location is quite thin if you ponder on it. However, you can always bring things into your favor by making smart and strategic decisions. So go ahead and make your business triumphant by choosing a location wisely.