Site Selection

NPTEL

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Three Types of Locations

- **Isolated Store**
- **Planned Shopping Center**
- **Unplanned Business District**

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Isolated Stores

Advantages

- No direct competition
- Low rental costs
- Flexibility
- Good for convenience stores
- High visibility
- Adaptable facilities
- Easy parking
- Excellent for store that generates own traffic

Disadvantages

- Difficulty attracting customers
- Travel distance
- Lack of cumulative attraction for customers
- High advertising expenses
- No cost sharing for promotions
- Possibly restrictive zoning laws

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Unplanned Business Districts

- Central Business District
- Secondary Business District
- Neighborhood Business District
- String

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Planned Shopping Centers

Advantages

- Well-rounded assortments
- Strong suburban population
- One-stop, family shopping
- Cost sharing of promotions
- Transportation access
- Pedestrian traffic

Disadvantages

- Limited flexibility
- Higher rent
- Restricted product offerings in lease
- Competition
- Requirements for association memberships
- Domination by anchor stores
- Impact of store closings on affinities

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Location/Site Evaluation Checklist

Pedestrian Traffic	Number of people Type of people	_____ _____
Vehicular Traffic	Number of vehicles Type of vehicles Traffic congestion	_____ _____ _____
Parking Facilities	Number and quality of parking spots Distance to store Availability of employee parking	_____ _____ _____
Transportation	Availability of mass transit Access from major highways Ease of deliveries	_____ _____ _____
Store Composition	Number and size of stores Affinity Retail balance	_____ _____ _____
Specific Site	Visibility Placement in the location Size and shape of the lot Size and shape of the building Condition and age of the lot and building	_____ _____ _____ _____ _____
Terms of Occupancy	Ownership or leasing terms Operations and maintenance costs Taxes Zoning restrictions Voluntary regulations	_____ _____ _____ _____ _____
Overall Rating	General location Specific site	_____ _____

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