

IMPORTANCE OF LOCATION

WHY RETAIL LOCATION IS IMPORTANT

Requires long term capital investment

Key attract Client

It also impacts the supply and demand

Changes customer's buying behaviour

Impacts competition for the brand



CHOOSING THE BEST LOCATION

BRAND GUIDELINES

ANALYSE THE BRAND AND CUSTOMER TYPE

Open a store where your customer goes to shop. A luxury product is found in luxury mall and grocery can be found inside an apartment also

DEMOGRAPHICS

What is the age, social status, buying power etc. of the customer coming to a particular location. Opening store too away from the customer type you are targetting can be dangerous

FUTURE GROWTH AND PERSPECTIVE

Retail's growth also depends on the potential of the location. If the destination you have shortlisted will become shortly a prime retailing hub, you are in the right place.

PROPERTY COST

RETAIL IS HIGHLY PROFIT CENTRIC BUSINESS

The store should be planned at a location where rent is 1/4th of the revenue that will be generated by the store.





STAND ALONE STORES

Stand alone store also should have a definite traffic of customer coming to shop at the location. It can be a high street or a neighbourhood busy street

MALL OR SHOPPING COMPLEX

Mall is a congregation of shops, typically along with entertainment and food. This drives the traffic and people travel from different areas as well to shop here





CONSUMERS

A lot depends on the kind of shoppers that come to a particular location.

Also the purchasing power of the consumer.

Draw a demographic and psychographic positioning of a brand before finalising your location



TYPICAL WAY TO TRAFFIC COUNT

APPLE TAKES THE TRAFFIC

count of a store location by standing in front of the store at different times of the day and counting number of people walking past the store in a minute. The average of the day is taken to determine the count.

Also this average is taken on a typical Weekday and on a typical weekend. This gets also cross-checked by the population of the city.



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ASSIGNMENT

CREATE A RETAIL LOCATION SWOT

Think about retail location you like to open a fashion label premium brand shop in and do a SWOT analysis for the store location.

