

## Article

### The Importance of Location

*To have a good location is crucial for success but to know how to identify a suitable location in advance may not be as straightforward as it may seem. If, on top of that, we need to justify our opinion, we will surely require having the right tools at hand.*

Whenever we are to consider any development project, there are three important things to bear in mind: "location, Location and LOCATION".

This phrase, which sometimes has been attributed either to Donald Trump or the father who taught him the trade, the former having shown little interest in denial, was in fact coined by Harold Samuel, who founded Land Securities in London in 1944 (nevertheless, some evidence suggests that this phrase already was a commonplace aphorism in Chicago already in 1926). In this sense, we are obliged to pay homage to Mr. Samuel's (later Lord Samuel) sense of opportunity to invest in real estate even before the end of the World War II, amidst a devastated London lacking many infrastructures, but we must also recognize that such investments were somewhat timely as, courtesy from both the Luftwaffe and Dr. Werner Von Braun (who was yet to make his name in earnest), well-located development land was plentiful and vendors generally willing.

However, and this is where we wanted to get to, Mr. Samuel was not specially devoted to acquire any property whose value for money was more or less acceptable. Instead, he only acquired very well chosen properties suiting him in terms of typology, potential and location, always in the understanding that location determines both the investment potential and the construction typology. Always bearing in mind these criteria, Land Securities became the largest company in the United Kingdom in 1968.

The entertainment industry, of which tourism is part, is not at all alien to the importance of location, including that of its infrastructure and facilities within the various destinations. To this end, and in order to determine the feasibility or otherwise of a particular business, a number of factors are to be accounted for, either intrinsic to the land itself and including the terrain, vegetation, underground conditions, internal roads, existing facilities and constructions and likeability of archaeological remains; as well as those extrinsic to it and including communications, weather, population, proximity to tourism destinations or other activities, the nature of such activities and their attraction potential to attract, as well as any potential competition.

These above mentioned factors, as well as many others related either to the businesses we aim to implement or to the territory in which they are to be implemented, both making and indissociable entity, determine whether a particular location is suitable for a particular business or not. In this case, the specific tool that

is used both to ascertain the feasibility and to provide a methodological basis able to justify any decisions based on the results obtained is the Location Analysis.

According to my own experience, I can well believe that Mr. Samuel had in mind all these details and used them intuitively, knowing immediately whether a location was interesting to him or not, but I am also convinced that in consulting it is never enough to have absolute certainty about anything if it is only intimate and, hence, may not properly documented and justified upon request before anyone.

It is precisely to solve "minor" details like these, which could easily lead to endless discussions (everyone having an opinion), that becomes helpful to have a solid methodological basis adding substance to our recommendations and able to convince about its soundness. Still, any methodology is in itself of little value if not complemented with experience and, of course, at least a tiny drop of intuition not unlike that of Mr. Samuel.

Thus, the fact of understanding and the ability to interpret the location-derived constraints is crucial to determine precisely which business or businesses will be profitable in a particular location, which we already have and with which, for better or for worse, we will have to live. Similarly, and if instead of a site what we have is an idea or a more or less developed business concept, the mastering of this discipline will tell us what kind of sites we ought to go for if we are to develop our business in full. Thus, we may focus the search for suitable sites based on predetermined locations and features.

Even though, I do still believe that, even for a sort of science, Location Analysis is partially an art that requires having an aesthetic sense if it is to be mastered. On this, it has been because of a certain aesthetic shame I did not want to name this article with the familiar aphorism, much exhausted and trivialised, as mentioned earlier in this article.

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