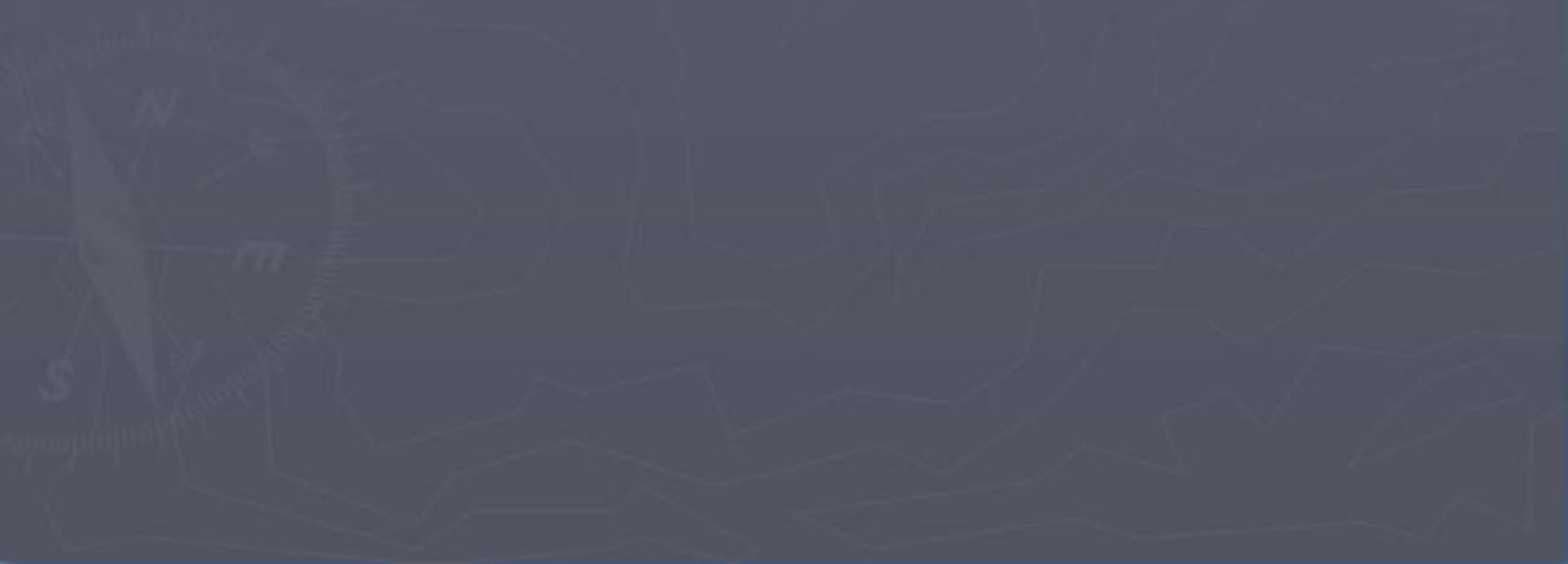


Urbanization of Services

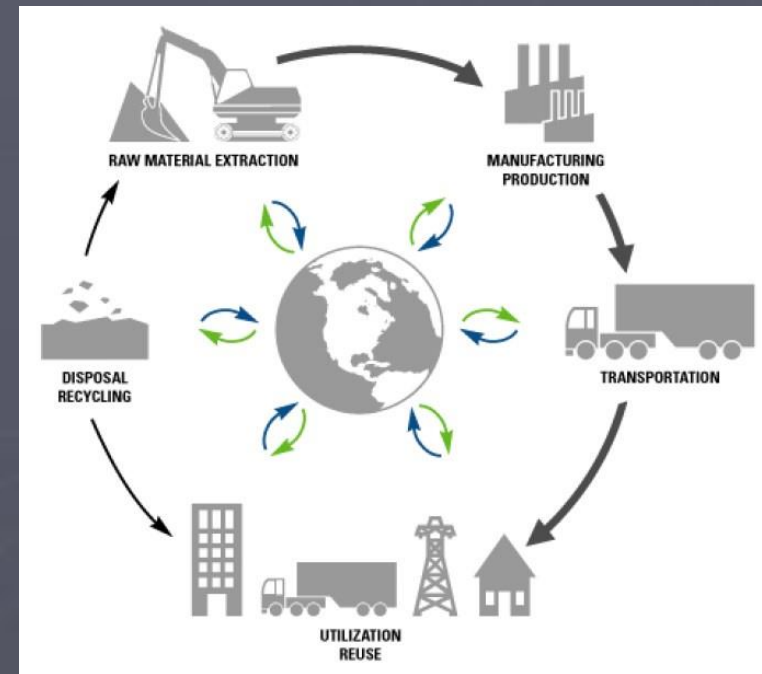


Services Defined

- Any activity performed that fulfills a human want or need in exchange for money
 - Link between placement of service and consumers
 - 1st rule of business “Location, Location, Location”

Types of Services

- Consumer Services
 - Retail service
 - Personal service
- Business Services
 - Purpose: to facilitate other businesses
 - Producer services: help people conduct business
 - Transportation and similar services: diffuse and distribute services
- Public Services
 - Provide security and protection for citizens and businesses



Location of Services in Rank-Hierarchy

- Small settlements are limited to consumer services with small thresholds
 - Do not have the people to support a lot of services
- Larger settlements can support both
 - Larger threshold

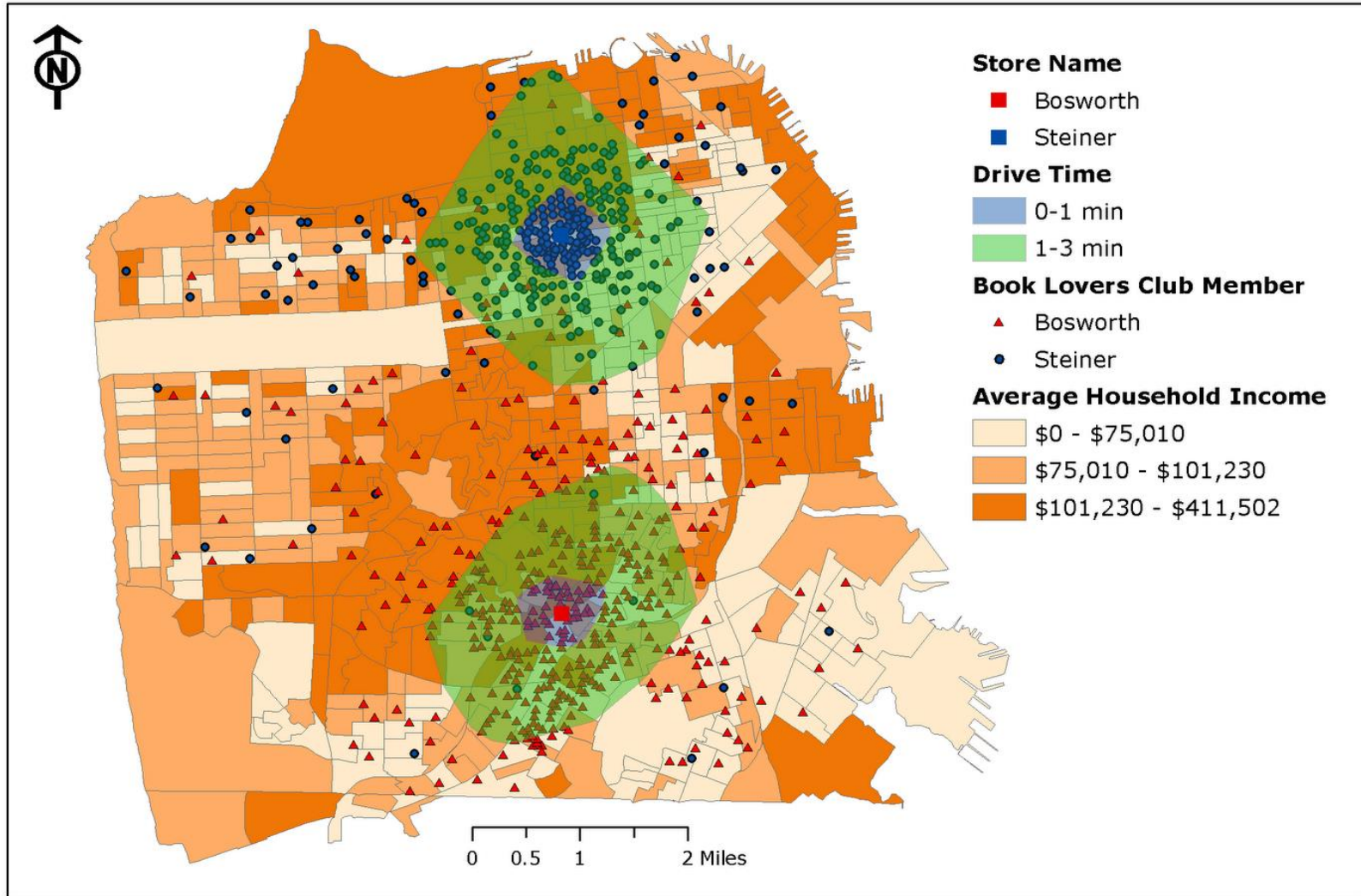


Market-Area Analysis

- Used to determine if a market's location will be profitable
 - Profitability of a Location
 - Calculate the range and threshold
 - Optimal Location Within a Market
 - Where in the market should the service be located to maximize profit
 - Linear
 - Nonlinear Settlement

Drive Time Market Area Model for Better Books Stores

San Francisco, California



Map produced by: Lizanne Roxburgh 22 October 2010

Data Sources: US Census Bureau, University of West Florida

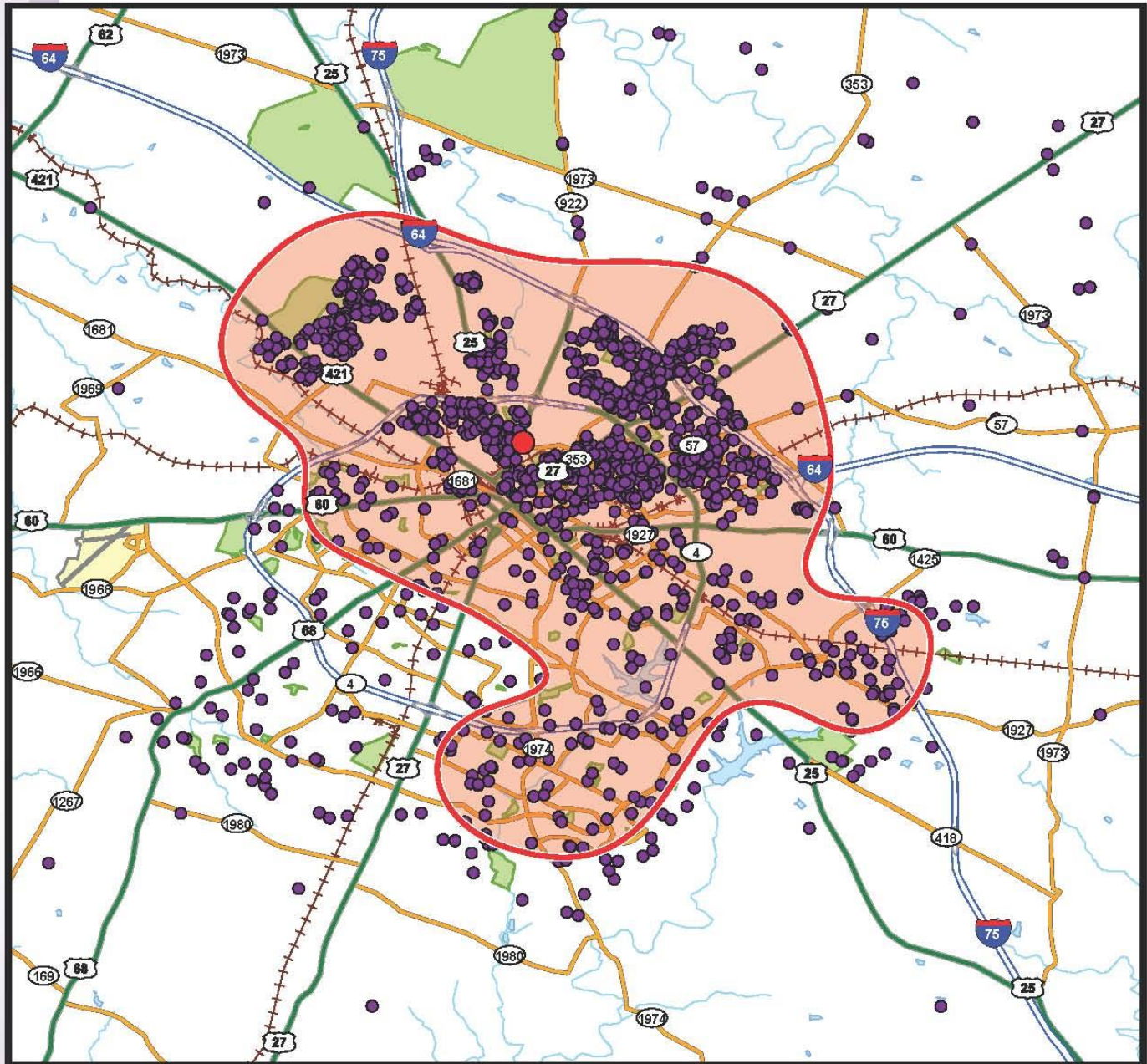
primary market area

February 2009
Sample YMCA

- North
- 80% of Members
- Members

Road Classification

- Limited Access Freeway
- Highway
- Secondary Roads
- Local Roads



Hierarchy of Business Services

- 4 levels of cities that play a role in business services
 - World Cities
 - Dominant city in terms of global political economy
 - Command and Control Centers
 - Second level of cities that contains the headquarters of many large corporations
 - Specialized Producer-Service Centers
 - Offer more narrow and highly specialized variety of services
 - Dependent Centers
 - Unskilled jobs; their economic health depends on the decisions of the other cities

Figure 12-15 Business-service cities in the United States



Top-tier World Cities

London
New York
Tokyo

2nd-tier World Cities

Brussels
Chicago
Frankfurt
Los Angeles
Paris
São Paulo
Singapore
Washington, DC
Zürich

3rd-tier World Cities

Amsterdam
Bangkok
Berlin
Buenos Aires
Hong Kong
Houston
Johannesburg
Madrid
Manila
Mexico City
Miami
Milan
Mumbai (Bombay)
Osaka
Rio de Janeiro
San Francisco
Seoul
Sydney
Taipei
Toronto
Vancouver



| | |
|---------------------------------------|---------------------|
| ● | Top-tier world city |
| ● | 2nd-tier world city |
| ● | 3rd-tier world city |

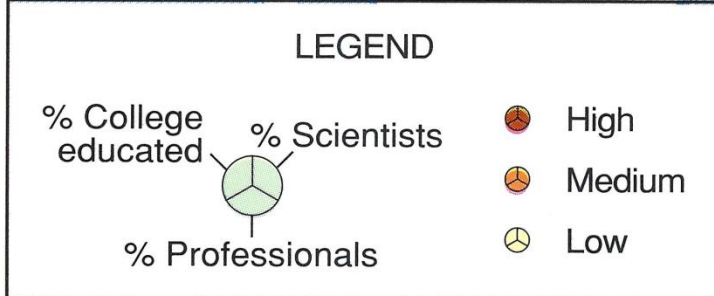
Cluster of Businesses in World Cities

- Business Services in World Cities
 - Clustering of businesses because of Industrial Revolution
- Consumer Services in World Cities
 - More people with more money to buy things
- Public Services in World Cities
 - Often centers of national or international political power

Location of Services in Central Business District

- Centers of business and industry
 - Attract talent and allow for specialization
- Retail centers have high threshold and range
 - Central accessibility to lots of people
 - Service workers in downtown businesses

Figure 12-17 Geography of talent



Suburbanization

- Commuter settlements
 - Located on fringe areas where majority of residents commute to CBD
- Manufacturing
 - Requires large footprint
 - Cheaper land in suburban areas
- Residential
 - High land costs closer to CBD
 - Larger houses at lower costs with more space in suburbs



Suburbanization of Retail

- Stores and services re-locate to suburbs to have closer proximity to consumers and ease of access
 - Ex. Southdale Center 1956

