



**GET OUT STUFF FOR NOTES
SERVICES**

HW: READ PGS. 407-412

WATCH LORAX & ANSWER QUESTIONS

**March 15,
2018**

FACTORS OF PRODUCTION FOR SERVICE ECONOMY

Market Accessibility

Infrastructure

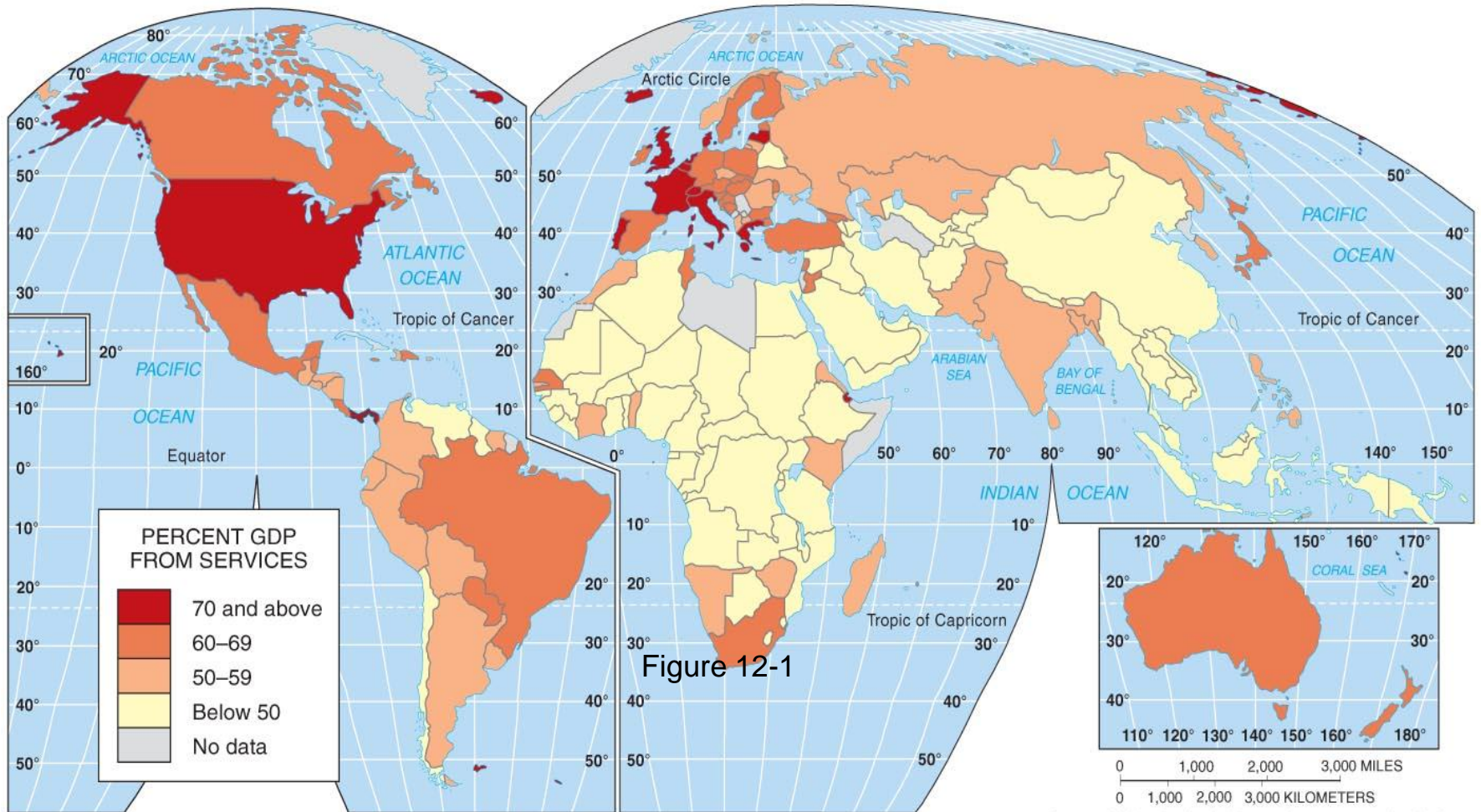
Favorable tax laws

Right-to-Work/Open Shop

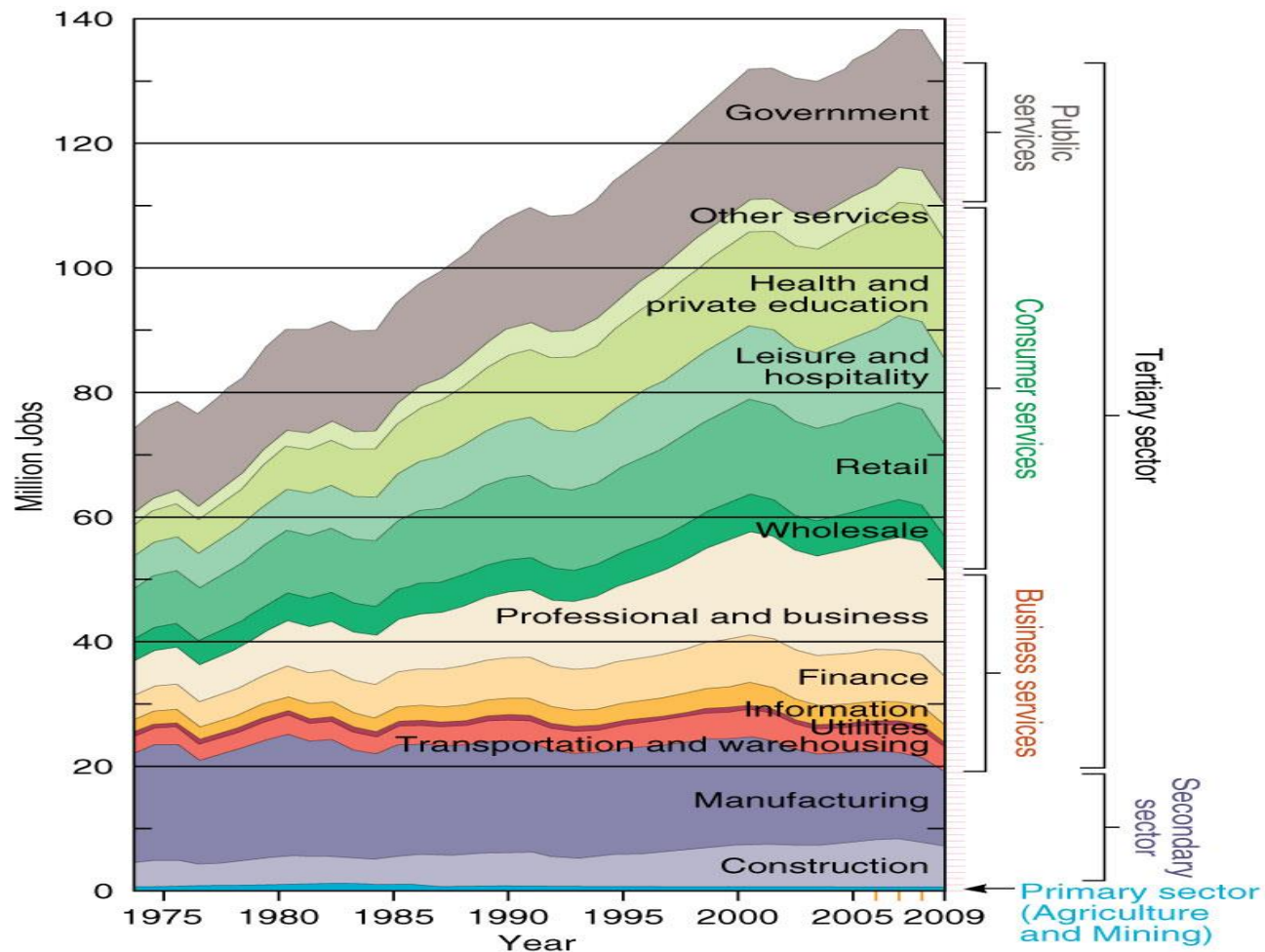
Favorable Climate

Skilled Workforce, but not too expensive

Percentage of GDP from Services, 2005

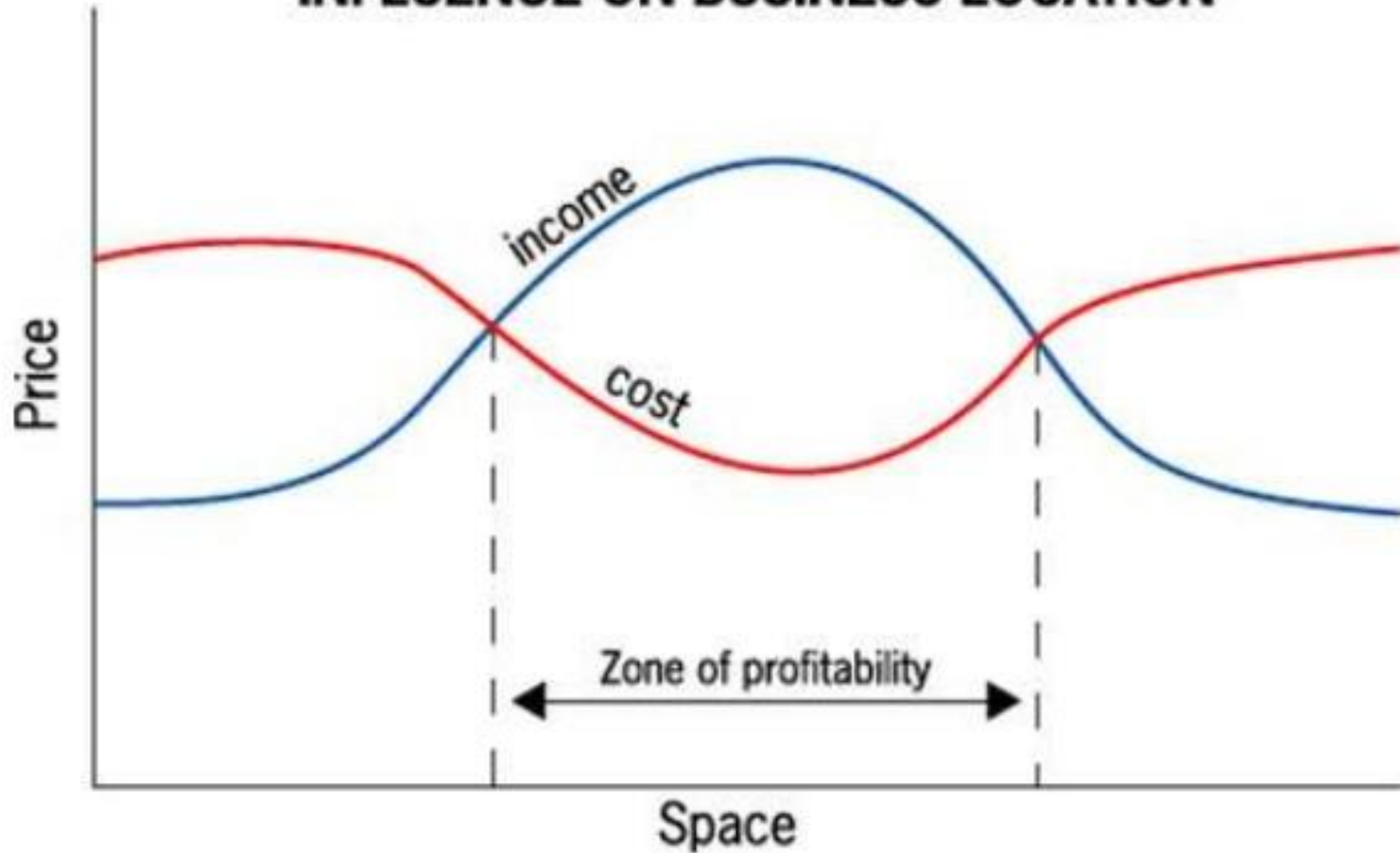


Employment Change in the United States by Sector



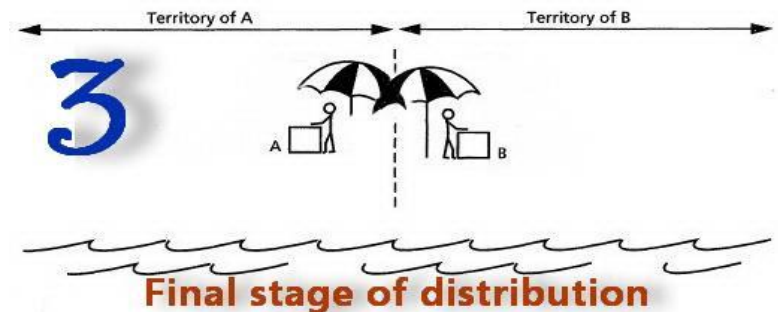
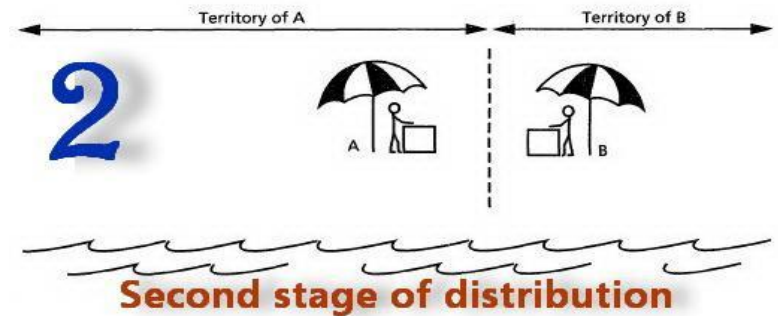
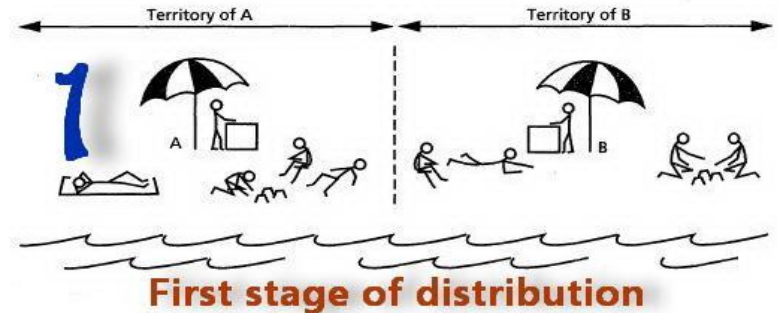
Losch's Model-Zone of Profitability

DIAGRAMMATIC REPRESENTATION OF ECONOMIC INFLUENCE ON BUSINESS LOCATION



LOCATIONAL INTERDEPENDENCE HOTELING THEORY

When there's a CVS right across the street from Walgreens



HOTELLING'S MODEL VIDEO

<https://www.youtube.com/watch?v=jlLgxeN>

BK 8

CONSUMER SERVICES

Retail

Education

Health

Tourism/leisure

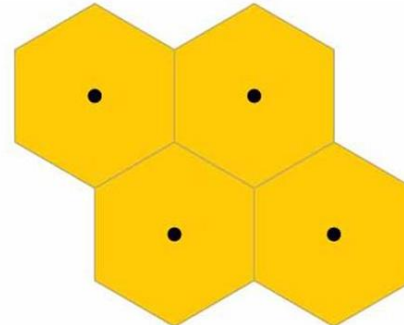
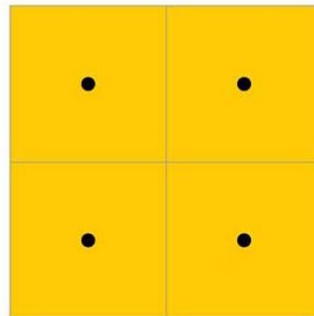
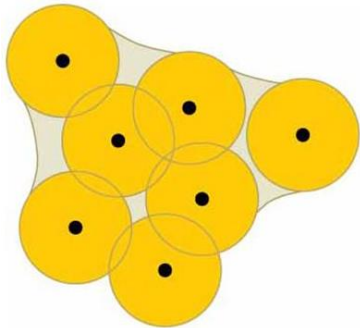
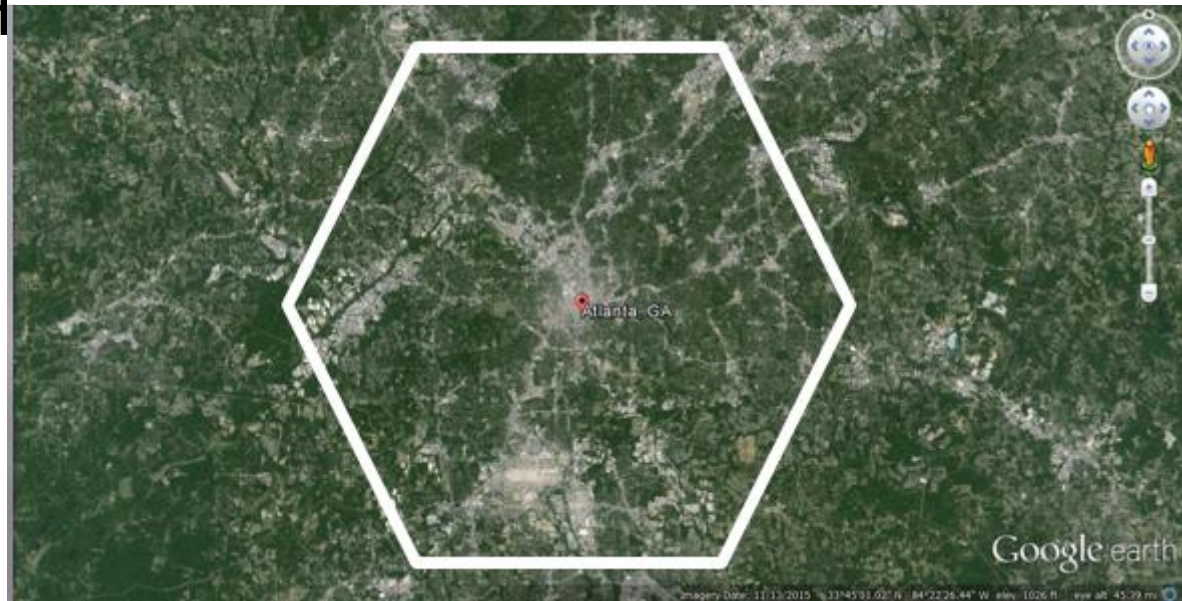


CENTRAL PLACE THEORY

Determining location of consumer business

Central place attracts people from surrounding area

Market Area/Hinterland

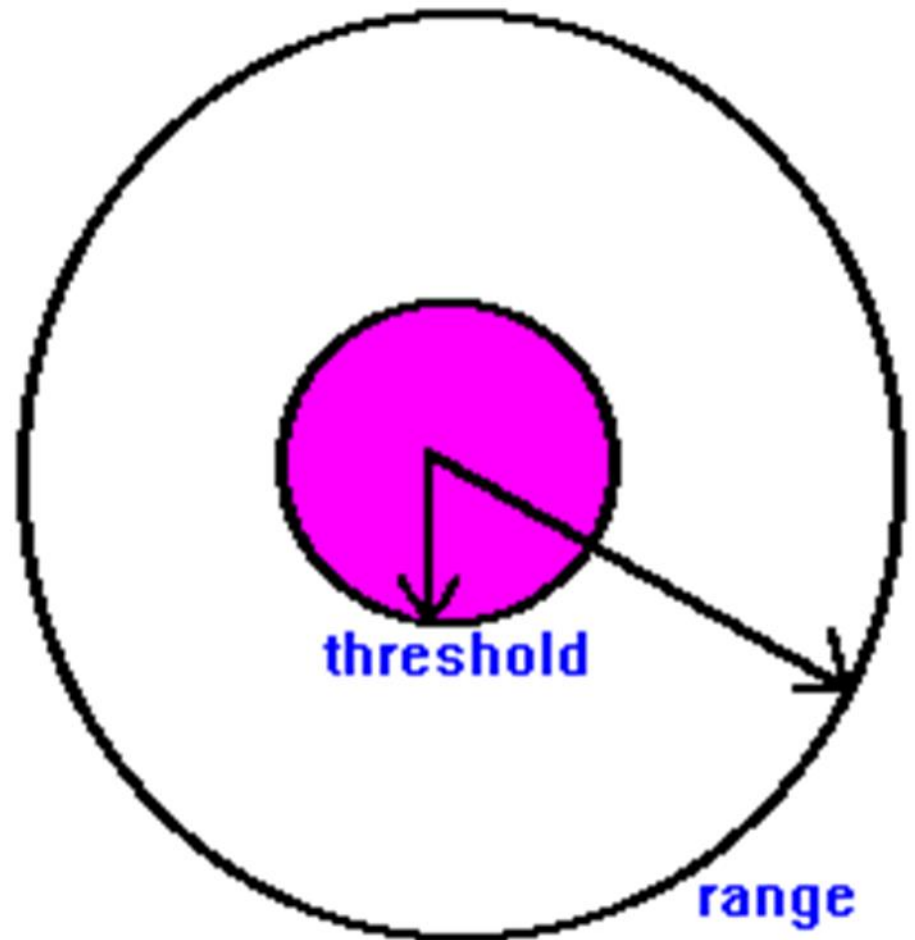


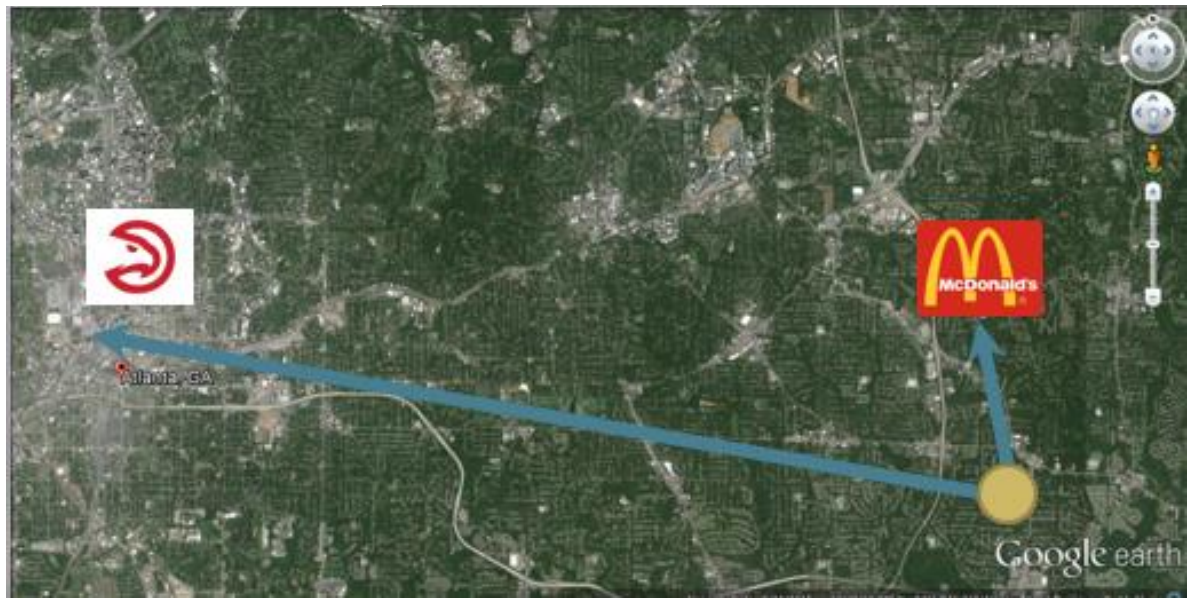
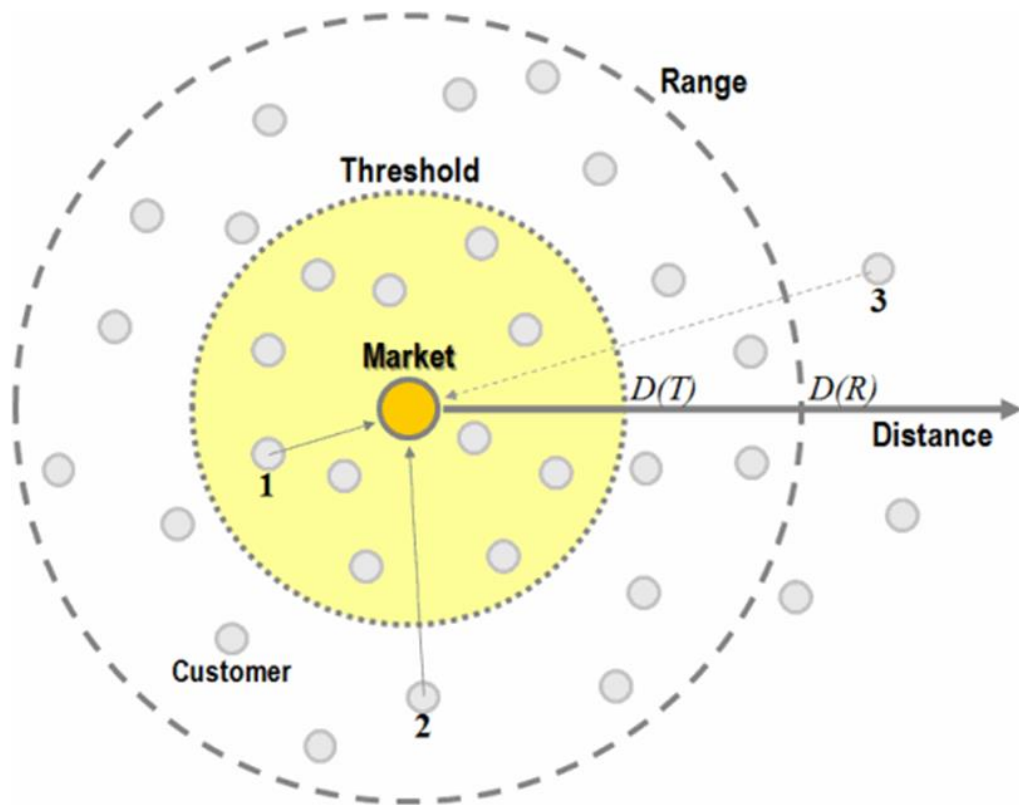
CENTRAL PLACE THEORY

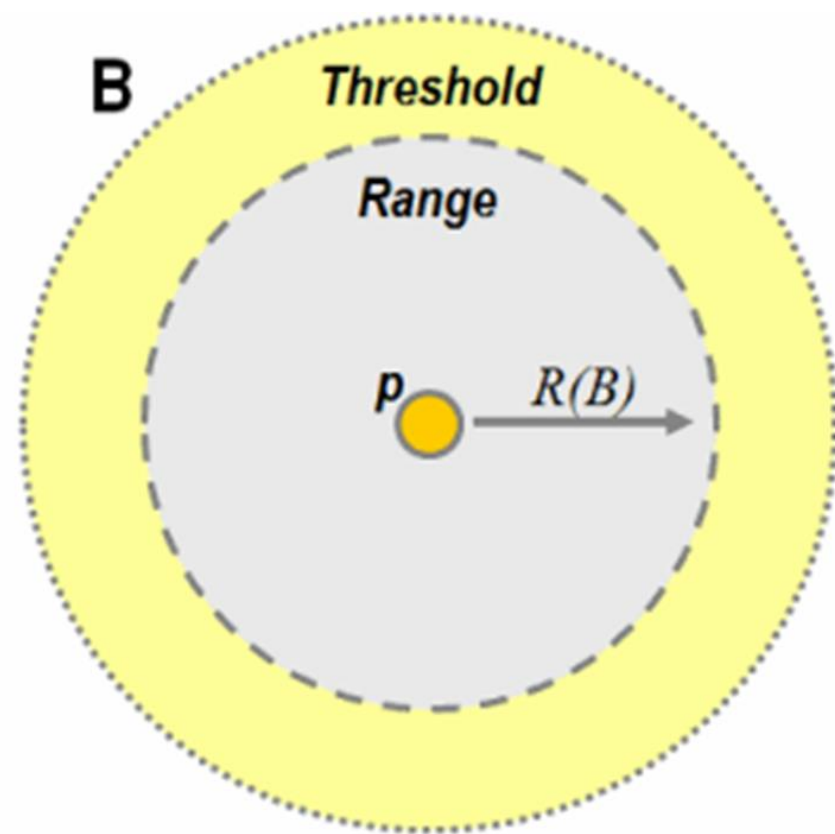
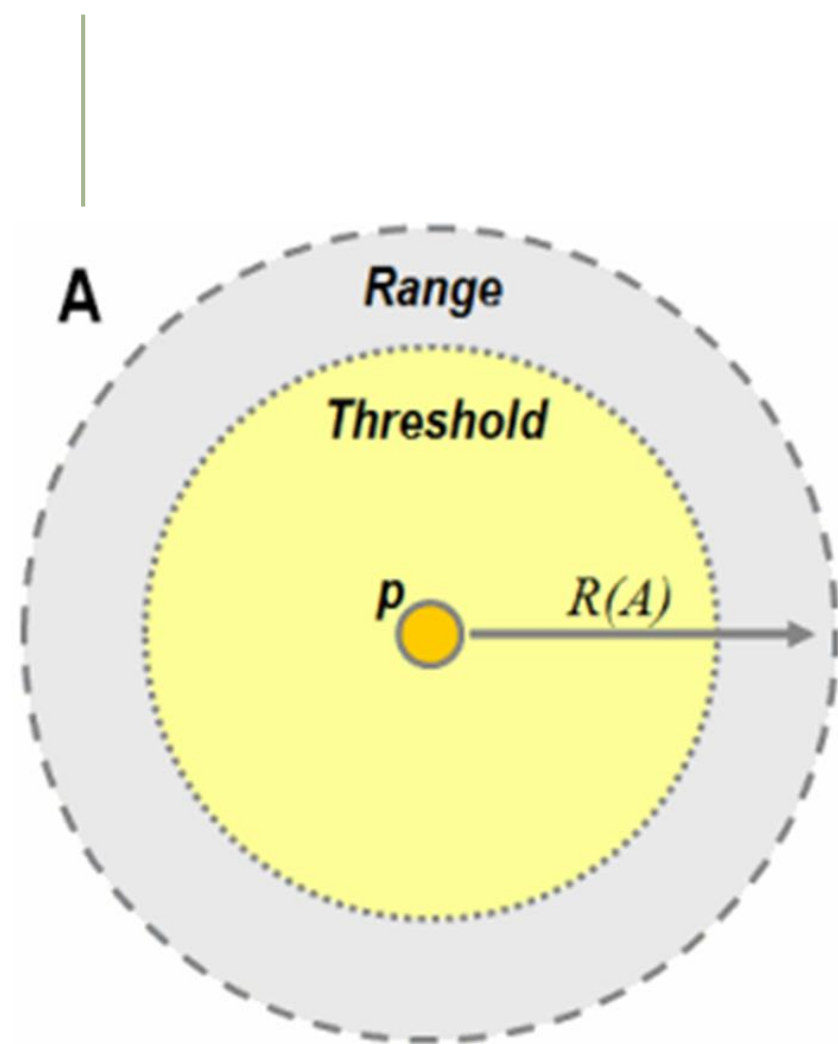
Range: Maximum distance people are willing to travel for a service

Threshold: Minimum number of people to support a business

- Not only number of consumers but also type

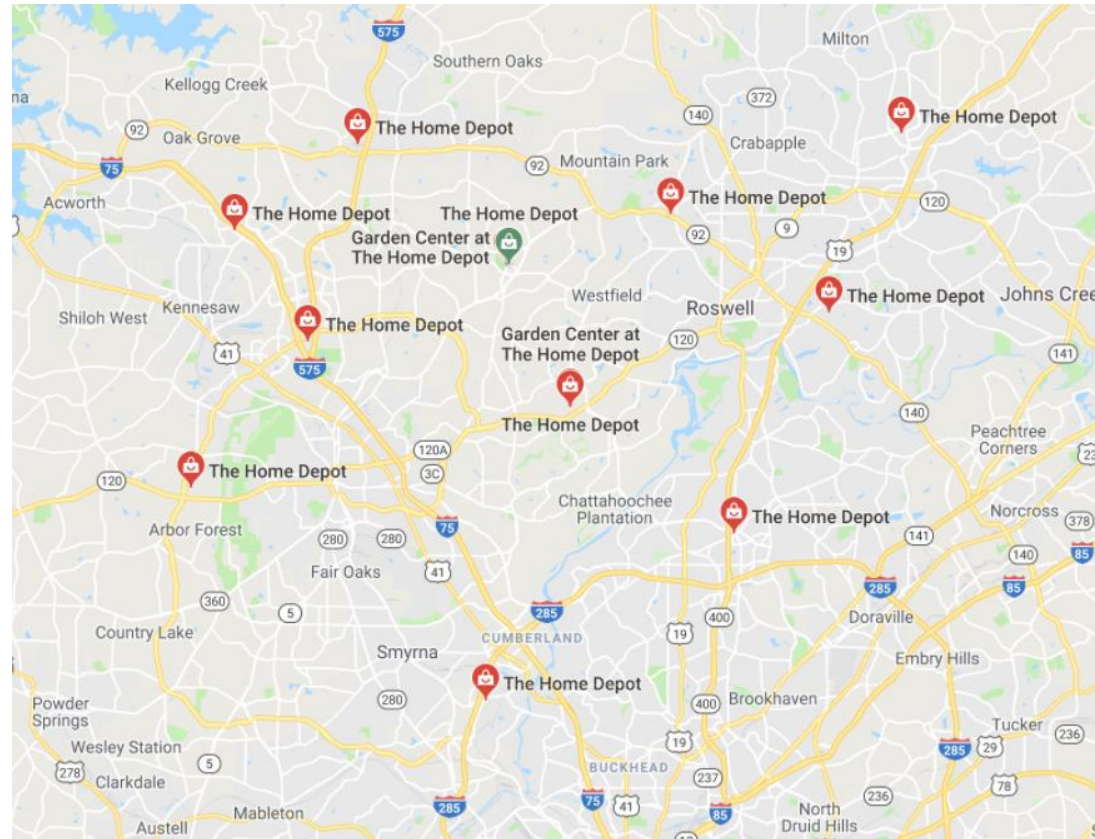






MARKET AREA ANALYSIS

Analyzing competitors location



TOURISM

Increases as income levels increase

Adds jobs and money, but doesn't always benefit home country

Ecotourism



BUSINESS SERVICES

Professional services

Finance

Transportation/information

MDCs

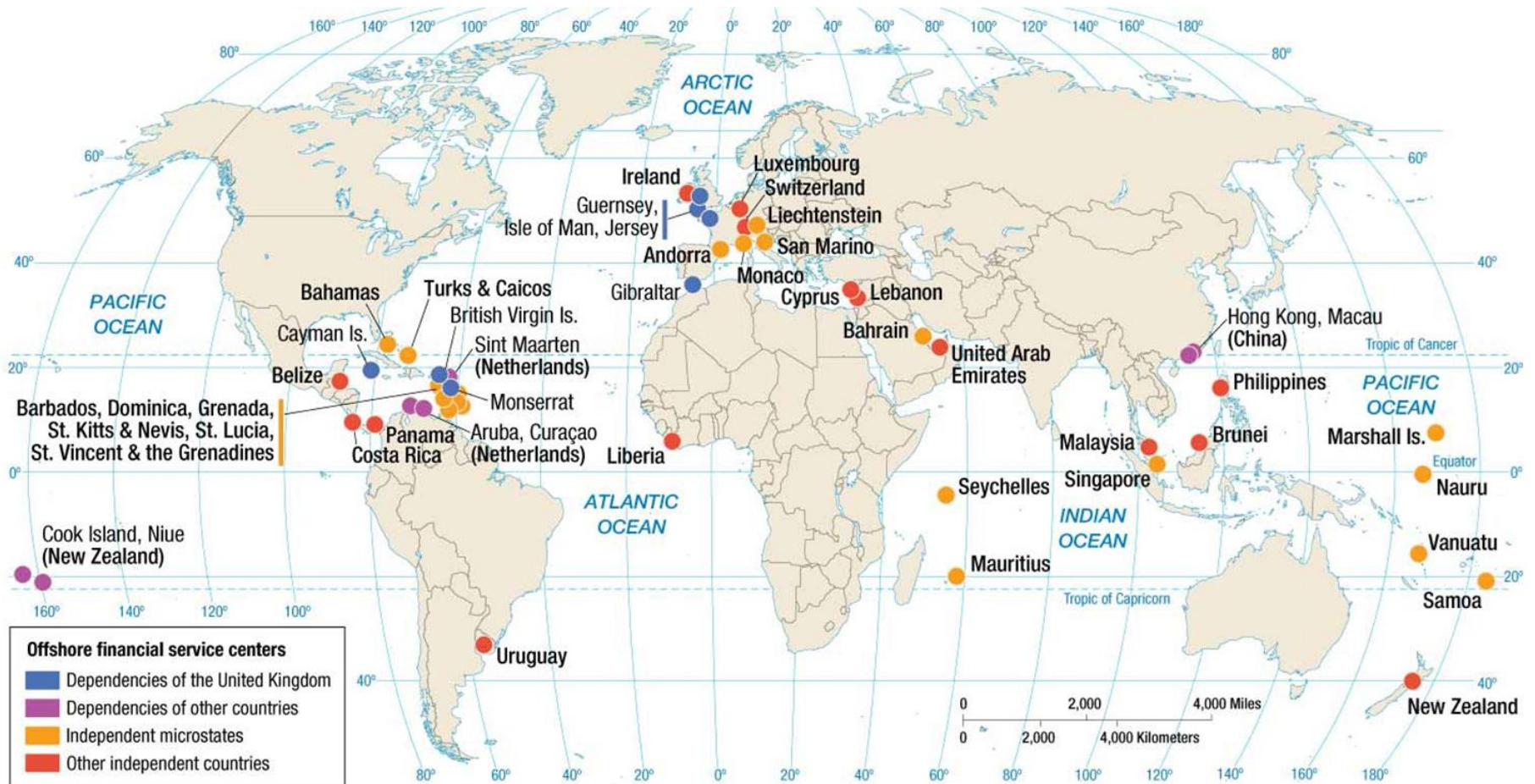
- Headquarters of transnational corps

LDCs

- Offshore financing
- Outsourcing

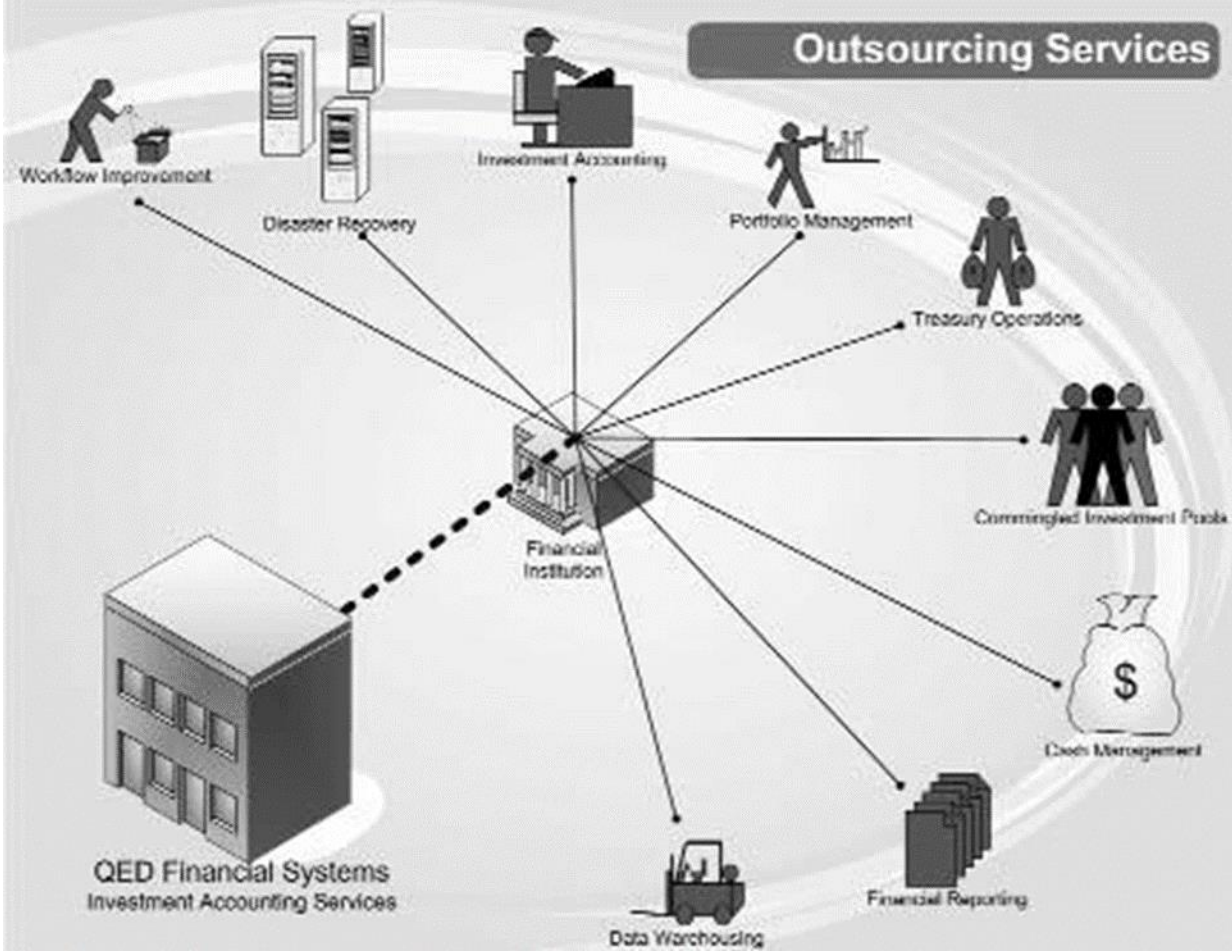


OFFSHORE FINANCIAL CENTERS



FOOTLOOSE INDUSTRY

Call centers
Bill Processing



PUBLIC SERVICE

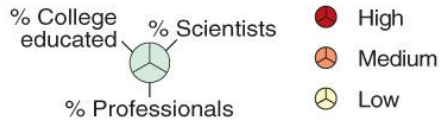
Government
Federal/State/
Local



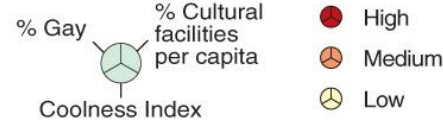
GEOGRAPHY OF TALENT



LEGEND



LEGEND



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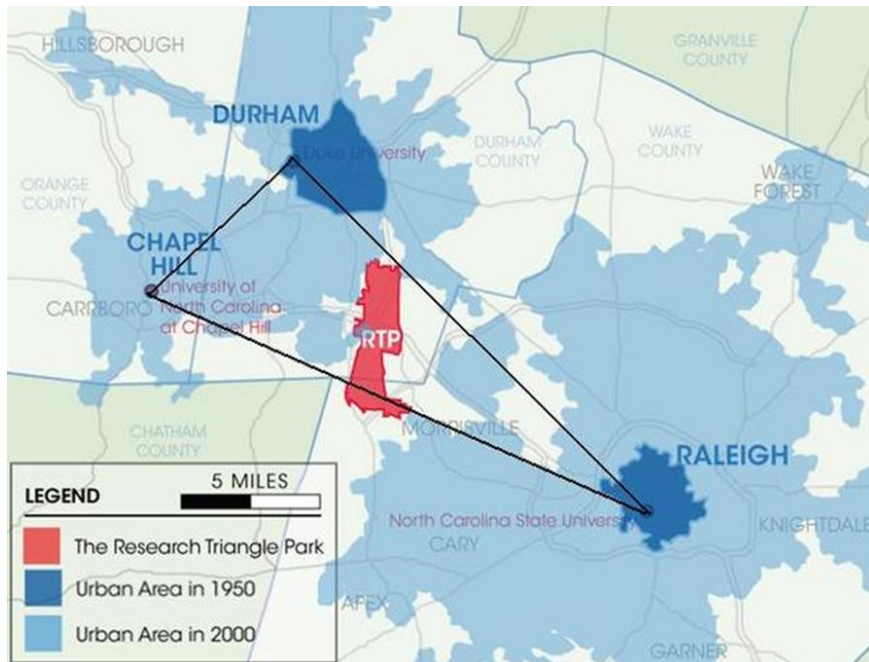
Fig. 12-17: Cities with high levels of talent (measured by percent of scientists, professionals, etc.; left) are also often cities with high levels of diversity (measured by cultural facilities, % gay population, etc.; right).

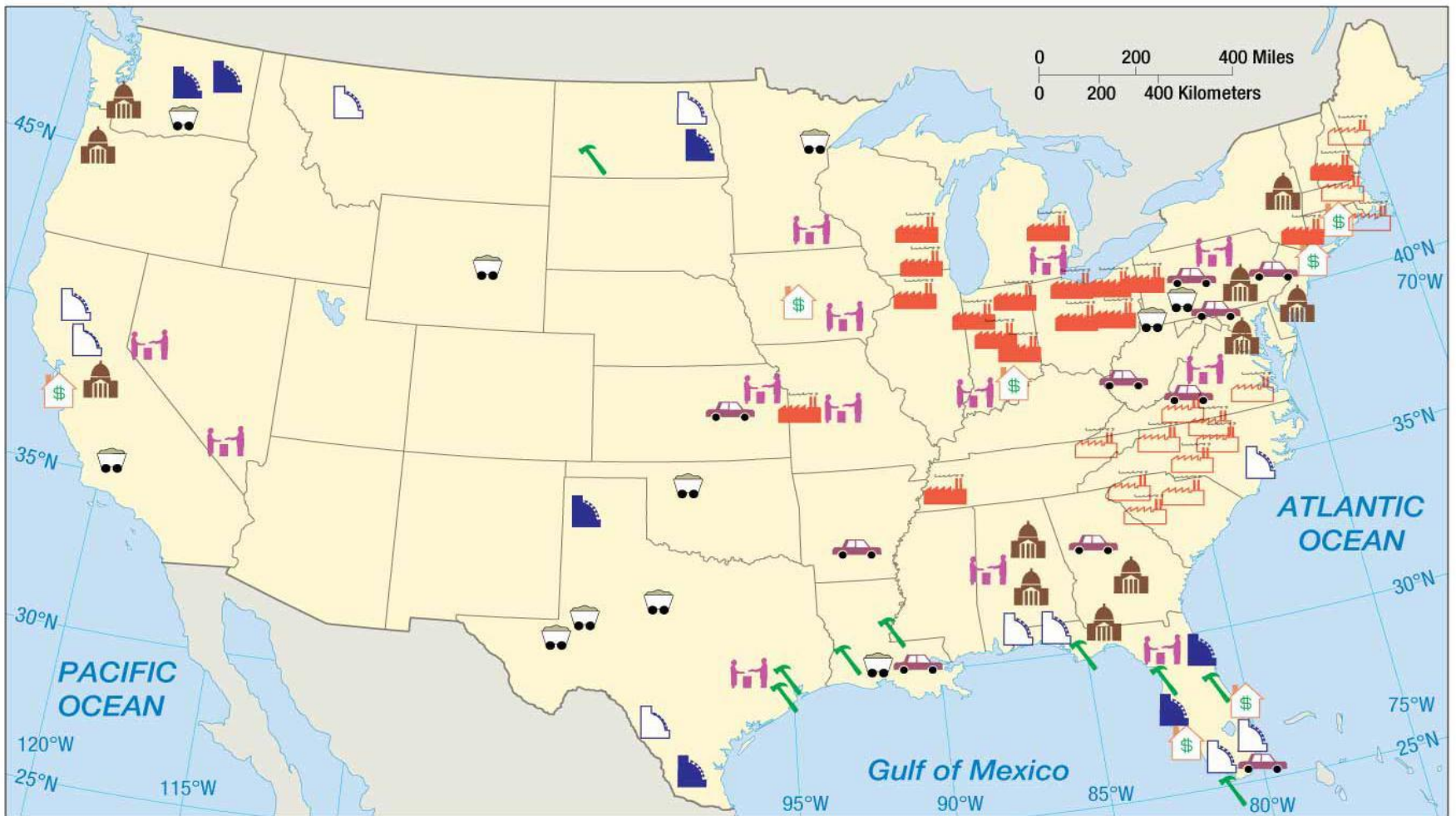
TECHNOPOLE

Skilled/Educated Workforce

High-Tech Infrastructure

Diverse





Primary sector



Mining

Secondary sector



Construction



Manufacturing—
durable goods



Manufacturing—
nondurable goods

Consumer services



Retail trade



Wholesale trade



Personal services

Business services



Finance, insurance,
real estate



Transportation,
communication,
and public utilities

Public services



Public services