

Local

A retail business that operates at a local level is often small, limited in size, the number of people it employs and the revenue it creates.

Characteristics of local and small-scale businesses include:

- Small number of owners, usually one person, the ownership structure is simple and likely to be an unlimited business.
- Relatively low amounts of money invested in the business, generates lower amounts of revenue with lower costs than larger businesses.
- A much smaller market than larger businesses, often serving local communities.
- Usually focusing on a single area, many are run from home and do not have multiple outlets.
- Usually very few employees, owners will often staff the business themselves and may employ workers at busy times.
- Community based – attract loyal customers who see the business as a vital part of the local community.
- Technology – the growth of social media and blogs have been utilised by many small businesses due to its effectiveness and low cost.

National

A national retail business will operate all over one country. It may have multiple retail outlets throughout the country, and a distribution network to ensure it can distribute its products to where they are being sold.

A national business will offer the same products or services, usually at the same prices, to customers all around the country or over a large area of the country.

Compared to a local business, a national business will have more resources to use in carrying out its activities. The extra capital can be spent superior marketing activities and employing highly skilled workers.

The ownership of national businesses is more complicated than a local business, often having multiple owners and likely to be a private or public limited company.

The market size of a national business is much greater than a local business so there is a great opportunity to attract a greater number of customers to obtain a high level of sales. The population of the UK is 67 million, for a national business these are all potential customers.

Tend to have highly developed websites which allow for online purchases with quick delivery times.

Global

A global retail business will operate internationally throughout the world.

The factors of trading at a global scale include:

- A much bigger market, the potential to sell products to more people across the globe is an obvious attraction to retail businesses who wish to increase their sales.
- Manufacturing or sourcing products from different countries at lower costs. Some UK retail businesses may not have the necessary raw materials to produce in the UK or other countries may be able to produce some goods and services more efficiently than we can.
- Improved communications as the internet makes it possible to trade efficiently across the globe. Improved transportation systems have led to cost effective transportation of materials and products across large distances.
- Global brands are products and services that are recognised throughout the world. The same products are sold in numerous countries are easily identified by customers. Coca-Cola, Apple and Ikea are examples of global brands.
- Complicated ownership and management structure as many global businesses will be owned by a parent company who in turn will own other businesses.