**Multinational Companies in the UK-IKEA**

IKEA has located its stores in cities around the UK. It is typical of a High Income Country as it has people with high levels of disposable income that can afford consumer products.

In addition, the UK has a well educated labour market with universities and colleges meaning it can recruit the highly skilled labour it needs to manage the stores.

MNCs like IKEA create a Positive Multiplier Effect as they create jobs indirectly as there is an increased demand for manufacturing products that are sold in store.

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| **Advantage** | **Location factor**  | **Positive effect** | **Negative effect** | **Explanation** |
| Next to the M1 |  |  |  |  |
| More congestion on nearby roads such  |  |  |  |  |
| Near to Meadowhall a retail park and Centertainment so |  |  |  |  |
| Customers choose to shop in IKEA instead of other stores in Sheffield |  |  |  |  |
| In the outer suburbs of Sheffield instead of the CBD so… |  |  |  |  |
| 500 jobs are created |  |  |  |  |
| IKEA needs to recruit from a large population nearby so… |  |  |  |  |
| Local manufacturing businesses will get orders from IKEA  |  |  |  |  |
| Next to other transport links such as the tram so… |  |  |  |  |
| IKEA stores need a threshold population of 2 million people within 40-60 miles. The Sheffield store has this so… |  |  |  |  |