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Motivations for moving among Commercial Counterurbanisers

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Motivations for moving among Commercial Counterurbanisers

Abstract

This paper reports on findings from interviews with rural business owners in the North East of England. Previous studies into residential counterurbanisation have shown a range of factors influencing individuals' choices to move house (Champion et al 1998; Halfacree, 1994). Here, it is hypothesised that for some commercial counterurbanisers, those rural in-migrants running businesses in their new rural locality, there will be different influences. Focusing on two groups of commercial counterurbanisers, the planned and un-planned business starters, it is also hypothesised that the different expectations and influences will affect their subsequent perceptions of the rural area as a place to do business. Greater understanding of the characteristics of place that are attractive to business starters and potential entrepreneurs can guide spatial economic policy which has become increasingly concerned with "place competitiveness" (Bristow, 2011).

Keywords: Commercial Counterurbanisation, entrepreneurship, place competition, competitiveness, rural business, rural economy.

Word Count: 5,494

Introduction

Previous studies have demonstrated the contribution that in-migrants are making to rural economies in terms of employment creation, economic diversification and increasing levels of both human and social capital (Stockdale, 2006; Kalantaridis and Bika, 2006a; Bosworth, 2008; Atterton, 2007). This raises three further questions, one concerns the origin of these in-migrants (see Newbery et al, 2011), a second concerns their activities once they have moved (see Bosworth, 2010) and a third concerns the factors that attract them to particular rural locations. It is the third question that provides the focus for this paper. Quantitative survey data and interviews with a sample of 26 in-migrant and 14 indigenous rural business owners are used to compare business motivations with lifestyle choices to develop a clearer understanding of the interplay between economic and social rationales in the migration decisions of rural business owners. Such understanding can influence policy directed towards increasing "place-competitiveness" (Bristow, 2011) and supporting new venture creation in rural areas.

Research into counterurbanisation provides a dominant image of wealthier people moving to rural areas (Halfacree, 2008), but as a concept it has also attracted criticism for being inconsistent, chaotic or even elusive (Mitchell, 2004). Counterurbanisation is not a uni-dimensional urban-to-rural flow of people but, at the macro level, it can be described as an inversion of the traditionally positive relationship between migration and settlement size (Champion, 1989, p30). It is worth noting here that although counterurbanisation is often associated with an ageing rural population, the dominant age group for rural in-migrants is 30-44 (Champion and Shepherd, 2006). This tells us that there is a general shift of the middle to older age population towards more rural areas but further questions remain concerning the composition of population flows, the motivations for moving or the impact on rural communities. This opens up opportunities for research into the gentrification of rural settlements (Phillips, 2002; Phillips, 2007; Saloane-Salona, 2010), evolving contestation between local and in-migrant residents (Murdoch et al, 2003; Bosworth and Willett 2011) and the economic implications for the sustainability of rural livelihoods (Slee, 2005; Stockdale,

2006; Bosworth, 2010). However, while sociologists and demographers have explored individuals' attraction to rural areas, the economic angle has tended to focus on the impacts for communities in situ rather than seeking to understand the factors that encourage entrepreneurial in-migrants into rural areas. By drawing on interviews and survey data, this paper investigates the rural attractors of commercial counterurbanisation.

Urban push-factors and rural pull-factors

Although the causes of counterurbanisation are complex and the overall trend can be seen as an "amalgam of different processes of population change" (Woods 2005, p74), there are certain trends that appear more constant. For example, "higher-status districts...are most prone to fuelling metropolitan out-migration" (Champion *et al* 1998, p26) with high levels of social class, house prices and healthiness demonstrating the mobility of these individuals. The same districts that are supplying rural migrants also have low mortality rates, high rates of staying on at school, low pollution and crime rates and low unemployment, all of which illustrate that it is the ability to move rather than specific place-related push factors that fuel metropolitan out-migration.

Champion (1998, p37) reports that between 70 and 85% of people surveyed in opinion polls say that they would prefer to live in the countryside. When looking at the choice of destination, it has been shown that the motivations for moving vary depending on the distance of the move. For example, 56% of long distance moves and only 6% of short distance moves (<25km) were attributed to job-led reasons (Halfacree, 1994). Sant and Simons (1993, p124) described three major dimensions of counterurbanisation as place utility, the ability to move and a willingness to move, the latter both being about the individual rather than place-based characteristics. If the counterurbaniser has entrepreneurial intentions, however, we might expect features of the destination to be more important.

The complexity of counterurbanisation is heightened by the increasing numbers of return migrants, notably in Ireland (Ní Laoire, 2007), where these individuals fall somewhere between 'local' and 'in-migrant'. Ní Laoire explains that "return migrants' experiences depart from the classic counterurbanisation discourses...with a strong family/kinship discourse interwoven with idyllic myths of rural life" (2007, p342). When exploring commercial counterurbanisers, existing association with an area is considered to offer a particular advantage for establishing a business venture so we can hypothesise that this in-between position might be advantageous.

For return migrants, the pull factors include a combination of personal, family and place-related attractions. While personal identity and family connections provide a particularly strong attachment in some of these specific cases, many in-migrants have some previous knowledge or connection with their eventual destination. One illustration of this comes from Mid-Wales where over 70% of in-migrants originated from a core of 420 wards (Walford, 2007). Such clusters of migratory links suggest that personal connections and place-familiarity will already exist for many migrants. For others though, the 'rural idyll' and the associated attractiveness of a safer, cleaner environment (Valentine, 1997) with less stress (Halfacree, 1994) underpins a more general belief that any rural area provides a more desirable quality of life than urban areas. This may contribute to chain migration (Walford, 2007) where counterurbanisation is the result of a series of migratory moves towards more rural locations, perhaps a continual search for the perceived rural idyll.

If counterurbanisation is about searching for the rural idyll, or at the most extreme interpretation, about assuming "a lifestyle which, if not identical with the traditional rural way of life, should essentially be the modern equivalent of it" (Champion, 1989, p.27), one wonders where economic motivations sit within the process. However, research has shown that in-migrants are creating jobs and starting new ventures so we must assume that at least

some of them have other motivations that are at least as important as lifestyle preferences. As such, the next section considers theoretical perspectives on the economic attractiveness of rural areas to enable the analysis of business owners' migration decisions.

Economic attraction of rural areas

While the counterurbanisation literature focuses on individuals' choices, the economic literature is more concerned with spatial features and trends that impact upon broader business activity. A relative shift of firms, output and jobs away from larger conurbations towards small towns and rural areas has been observed since the 1960s. This is explained by a combination of relocation of existing business, different rates of new firm formation and, more powerfully, the differential growth and decline of existing businesses in urban and rural areas (Keeble and Tyler, 1995, p1-2).

Regional economic theory focuses on factors such as (dis)economies of scale, core-periphery analysis and spillover effects. While these offer valuable explanations for the general patterns of agglomeration and decentralisation, they seldom govern individual decisions that lead to new venture creation in rural areas. Even where factors such as reducing travel time or seeking lower cost premises do influence individual decisions, spatial economic theories are unable to explain the choice of rural destination. This requires micro-analysis of rural areas to understand the interrelated business and personal influences that contribute to commercial counterurbanisation.

With rural areas continuing to see net-outmigration among younger cohorts, especially in more remote areas (Stockdale, 2004) it is apparent that the perceived lifestyle or economic potential is not uniformly attractive. As young people are more mobile in terms of higher education opportunities and early career development, the importance of in-migrant entrepreneurs replacing the outgoing human capital stocks becomes increasingly significant for the sustainability of rural economies. Therefore, understanding more individualised and more localised factors can guide future rural development policy.

Keeble and Tyler (1995) recognise that residential amenity value is one contributor to the attraction of rural areas and that this leads to higher skilled, higher-earning individuals living in more rural locations. This provides new forms of capital in rural economies to support business growth but as mobility has increased, this is no guarantee that the local economy will retain this added potential and turn it into positive growth outcomes. The degree to which entrepreneurs contribute to their local economy will depend on factors such as their individual embeddedness (Jack and Anderson, 2002; Kalantaridis and Bika, 2006b), the skills needs of the business, their target markets and the importance of immobile local resources that are strongly connected to local places (Bryden, 1998).

The clearest link between residential migration and commercial counterurbanisation occurs when entrepreneurs set up businesses from home. Homeworking and home-based businesses (HBBs) are increasing in rural areas as communications technology facilitates new ways of working and the dynamics of the household increasingly sees parents having to combine work with other duties, notably childcare. For some HBBs, the choice of locations is essential, for example in the tourism sector or services that target a very local catchment, but for other more footloose enterprises, the home is merely a convenient location for the business (Newbery and Bosworth, 2010). In the latter scenario, we can hypothesise that in-migrants would be less concerned about the local economic opportunities compared to those for whom the character of the immediate locality and the property are essential considerations.

Stockdale (2006) found that in the study areas of Roxburgh and North Lewis, few in-migrants were establishing local businesses. Those that did establish businesses were thought to represent “survival self-employment” (see also MacDonald, 1996) creating few jobs for others. GEM data identified that “necessity entrepreneurship” fell nationally “from 1.4% of the adult working age population to just 0.7% between 2001 and 2005” (One NorthEast, 2006) while “opportunity entrepreneurship” rose marginally from 5.1% to 5.2%. As this data aggregates rural and urban areas, Stockdale’s finding suggests that rural areas are significantly disadvantaged and an above average proportion of “survival self employment” or “necessity entrepreneurship” could be detrimental to potential job creation and growth.

In Spain, two-thirds of in-migrant lifestyle-business owners interviewed had resorted to self employment “as a mechanism for living in the new location” (Stone and Stubbs, 2007) with only one who had identified a business niche before moving. The propensity for in-migrants to establish a business sometime after migration is not a recent development. Keeble and Tyler reported that “most migrant entrepreneurs – and especially those settling in accessible rural areas – moved to the countryside prior to setting up their firm; but one-fifth (21%) of all remote rural founders actually moved there in order to establish their enterprise” (1995, p984). This distinction is important as a comparison of each type of in-migrant business owner can distinguish where economic/business factors are more or less influential in the decision making process.

Methodology

The results begin with a short summary of two rural business surveys carried out in the North East of England (see Raley and Moxey, 2000, and Atterton and Affleck, 2010, for detailed methodologies and results). Both surveys included a question that distinguished in-migrants as those business owners who had moved at least 30 miles into their local area during their adult lives. Furthermore, a separate question asked whether the business owner planned to start a business at the time of their move enable a distinction to be drawn between what are termed ‘planned’ and ‘un-planned’ in-migrants. These categories draw an important distinction between those for whom the business decision occurred before moving, and therefore in a different location, and those for whom the decision was influenced during a period of time living in the rural locality.

The principle analysis is based on interviews with rural business owners in the North East region which were carried out as part of a wider programme of research into the characteristics of rural businesses. This paper reports on the perceptions of business owners concerning their local area and, in the case of in-migrants, there is a specific focus on the question of how they were attracted to their rural location. A sample frame, shown in Table 1, was designed to include equal numbers of planned and unplanned in-migrant business owners as well as a control group of indigenous or ‘local’ business owners. Interviewees were initially approached from a group of 1251 respondents to an earlier rural microbusiness survey (Raley and Moxey, 2000) and snowball sampling was used to complete the population of the sampling frame as this also enable more recent start-ups to be included.

Table 1. The sampling frame used to select the 40 interviewees

	Retail	Tourism & Hospitality	Manufacturing & Distribution	Professional Services	Total
Un-planned in-migrant	3	3	3	3	12
Planned in-migrant	3	3	3	3	12

Local	4	4	4	4	16
Total	10	10	10	10	40

Interviews were carried out face to face with business owners at their places of work. Conversational interviews with a semi-structured format were considered most appropriate as there is sufficient structure to enable comparative analysis but there is sufficient flexibility to ensure the interviewee can speak openly and confidently about issues that are important to them. Such biographical narratives are valuable in allowing interviewees to tell a full story in their own words rather than responding to individual questions. This creates the possibility for “recall bias” and “impression management” on the part of the narrator (Lee 1999, p112) so it is important for an interviewer to delve deeper into their stories to ensure their accuracy as well as to clarify and enrich particular meanings.

Survey results

The initial microbusiness survey identified that in-migration with the intention of starting a business was more common in the more rural areas leading to the conclusion that many of these were lifestyle businesses (Raley and Moxey, 2000, p35). The survey also highlighted the need for businesses in the more rural locations to trade outside of the region given the constraints of local markets. This suggests that the challenge of a more isolated location could require greater entrepreneurialism from business owners. An earlier study has shown that in-migrants are more able than indigenous business owners to tap into these extra-regional markets (Bosworth 2008) suggesting that they are playing a significant role in supporting local economies in the more rural areas of the region.

The second rural business survey (Atterton and Affleck, 2010) categorised businesses according to the rural typology implemented by the Department for the Environment, Food and Rural Affairs (Defra), which categorises districts based on the size of settlements and their distance from more heavily populated settlements (Defra 2005). The data in Table 2 shows that significantly more of the businesses in sparse areas were run by in-migrants and in the smaller settlements, in-migrants were also found to be more entrepreneurial. There was no significant difference between planned and unplanned in-migrant business owners.

Table 2. The location and entrepreneurialism of local and in-migrant owned businesses.

	Local		In-migrant	
	Number of businesses	% that are entrepreneurial*	Number of businesses	% that are entrepreneurial*
Town and Fringe - Less Sparse	105	60	106	63
Town and Fringe - Sparse	18	69	52	45
Village - Less Sparse	79	44	75	51
Village - Sparse	20	33	50	44
Hamlet - Less Sparse	66	35	50	60
Hamlet - Sparse	35	29	61	49

*The measure of entrepreneurialism was derived from a principal component analysis of start-up motivations in rural business (see Newbery *et al.* Forthcoming b for a detailed description). Here three mutually exclusive factors were identified, being: 1. Entrepreneurs, motivated by new challenge, to exploit an opportunity *and* a lifestyle change; 2. Self-employed retirees, motivated by the need for a supplementary income in retirement, and; 3. Family employed, motivated by a need to support the family and avoid unemployment.

In the recent survey of businesses in the same region, additional questions were included to investigate the advantages and disadvantages of businesses' locations. Not surprisingly, the general consensus was that the costs associated with transport links and distance were the biggest problem (Atterton and Affleck, 2010). Perhaps more surprisingly, only 10% cited beautiful or quiet as a positive feature of their location, compared to much higher figures among urban-rural residential migrants (for example in Halfacree's 1994 study 30% cited the physical environment as the primary reason for moving). In Southern Europe, almost all lifestyle migrants reported climate and landscape as major influences with only 15% motivated to move because "the new location was better suited to a business venture than their place of origin" (Stone and Stubbs, 2007, p437). These differences suggest that we are observing a more entrepreneurial form of in-migration in the North East of England but to understand the personal motivations, a more qualitative approach is required.

Challenges of the rural location

Location means different things to different people. For some, distance is a barrier, for others it provides the opportunity. A local guesthouse operator said, *"I love it where I am because I can say to people that we are so centrally located for every attraction...the peace and tranquillity, you won't be listening to the noisy street people and fish and chip places...its trying to sell that as a product."* By contrast, a sawmill operator explained that *"The only advantage is maybe that it's a low rent here. The disadvantages are that you haven't got a big population around you so you rely on people either looking for you or coming to you."* The transitions in rural life are especially telling for village service providers, with a shopkeeper commenting, *"There's so many people living here who travel to Newcastle every day and don't put anything into the village whatsoever, not just me, the pubs, the church and everything, they basically just use it as somewhere to sleep."* Clearly the value or the difficulties associated with rural locations vary significantly between sectors and the target markets. A dog trainer summed this up by recognising that the business environment was ideal for dog-walking and training but very restrictive for a sideline in retailing.

It is not just the potential market for sales that is restricted but also access to skilled staff, networking and training opportunities. A local surveyor said, *"The vast majority of the CPD [training] courses aren't applicable to rural estate agency ... they can't provide a service for so few practitioners. The courses they hold tend to be in Durham or York, they do hold courses in Newcastle but they're just not applicable."* The issue of staff may be less apparent to an in-migrant who sees many higher income, higher skilled individuals attracted to living in rural locations but in both the manufacturing and professional services sectors, business owners reported difficulties in recruiting to more senior positions. Some sought to advertise further afield, which was facilitated by personal networks in the case of in-migrants, while another commented that the difficulty to find the right people was leading to *"tough decisions ahead"* regarding the future development of the business.

A common problem for businesses looking to expand was a lack of suitable premises, or a lack of flexibility to expand in their current premises. The earlier rural microbusiness survey (Raley and Moxey, 2000) shows that just over 26% of business owners with growth aspirations reported their growth to be restricted by a lack of space for expansion. Among interviewees, planning permission, finance for building and a simple lack of options within

the rural property market were all mentioned as problems, whether at the scale of permission for signage or permission for more substantial development of the premises.

Of course, migrants will be aware of many of the challenges that they might face when trying to run a business in a rural area. With this knowledge they will be able to assess the level of competition in a local area, the likely significance of connectivity and the potential size of their markets and seek potential advantages. For example, a local farmer who has diversified into food manufacturing on site commented that *"Having more customers on your doorstep helps, especially when you're selling from the door!"* Also, a brewer noted that because his location is *"so remote, a lot of local pubs aren't tied"* (into fixed arrangements with big brewers through larger pub-companies) creating better sales opportunities. However, the rural setting also leads to business owners considering wider social issues and in the case of food or beer production, local heritage and support from other local businesses were also recognised to be important. It is these less visible or measurable values associated with rural locations that lie at the heart of this analysis.

Migration Decisions

In the knowledge that a rural area brings with it both challenges and potential opportunities, the degree to which these issues influence migration decisions are now considered in greater detail. As with previous research into counterurbanisation, the significance of both employment and quality of life feature strongly. Among "unplanned" in-migrants, several were drawn to the North East by employment or higher education opportunities, mostly in urban areas, and only subsequently discovered opportunities to run their own rural businesses. Whether passing through this stage or moving directly to running a rural business, the perception of a higher quality of life in rural areas was a continuing theme, again corresponding to earlier findings relating to counterurbanisers.

An example that combines both of these factors comes from the manager of a consultancy business who said, *"It was a lifestyle decision, We never wanted to run a business in London, we never wanted to run a business in Newcastle, we wanted to be able to have the flexible of working from home and running the business so the area just happen to be where we lived."* Another said of his location that it is *"ideal for bringing up the children"* and *"the people are so much more friendly, it was a breath of fresh air"*. In the professional services sector, there was a general recognition that communications technology had enabled these decisions and in some cases, being away from the city offered a certain opportunity to develop a niche specialism or a certain identity around the business. The opportunity to invite clients to visit a picturesque office setting was used to build stronger relationships as well as a unique brand for businesses trading outside of the region. This is clear evidence that the personal decision making influences are not separated from the business but are used to show the personality of the business owner through their attitudes towards their rural environment.

In the tourism and hospitality sectors, the local environment and local communities were strong attractors. Where these migration moves are a bridge to retirement and not strongly motivated by profit, the opportunity for non-business factors to carry a stronger weighting becomes evidence but once in the business, this does not preclude them from entrepreneurial behaviour (Bosworth and Farrell, 2011). Statements such as *"I fell in love with North Northumberland and this house particularly"* demonstrate the stronger emotional influences that apply where the place itself is intrinsically part of the business and where the business is in turn inseparable from the owner's lifestyle.

Rural tourism is not the only sector where location is integral to the business. A property consultant explained that in choosing to operate from a rural office, it enabled him to be seen

as a *“rural specialist”* adding, *“it gives me an advantage over other firms who may not have the expertise to deal with things happening here.”* In this example, the business owner had already moved to live in a rural area and, once he had secured a professional qualifications, the opportunity to relocate and start his own business enable him to work closer to home. Undoubtedly the rural environment was attractive, at one stage he interrupted the interview to point out a pied wagtail on the fence outside his office window, but with a combination of professional experience and local knowledge, he was able to develop a business that maximised the value of the location.

Although space was a problem for several businesses that were looking to expand, one saw rural property as offering a particular opportunity to combine their business and family needs. The owner explained, *“We needed the space for stock and we thought with us both coming from the North East, it would be nice to come back here and we thought if we could find a farm type building, it would cut down on the overheads and we could have a house and warehouse all on the one site.”* Road access was not ideal, but they have never had problems with deliveries and explained that it is often preferable for drivers compared to a congested business park in a busy urban area. The business needs were not compromised but the family was central to this decision, recognising that there were good schools in the area and *“the children were mad on horses so they had a paddock as well”*.

A third example comes from an in-migrant who bought a pub-restaurant business. In this example the couple were trained in catering and finding the right business took them five years of searching across the UK. They described a *“huge umbrella”* of criteria that were important and this business was the only one to fit them all. Some of the criteria were described in more detail:

“I had a daughter of school age so education was important and we wanted a business that we could run together...My mother in law was coming with us and we’ve got dogs and we needed a business that could trade all year, we didn’t want anything seasonal because the banks aren’t happy with it and I’m not happy with seasonal business ...one of the biggest problems we had was that less than 2% of all businesses we were looking at were freehold.”

In this example of a planned in-migrant, finding a business that could support the family was at the heart of the decision but equally the welfare of the family extended beyond measuring the profitability potential of the business. Even so, the final decision was also influenced by personal connections as they had camped in the area in the past, and said *“we’d spent a lot of time on Hadrian’s Wall and loved it, loved this area very much and always knew we’d come back.”* Furthermore, they were able to update their local business knowledge through a friend living in the region whose advice encouraged them to buy the property.

For many rural businesses, however, location is of little importance to trade. A typical sentiment for such footloose industries was *“We don’t work face to face with customers, it’s all direct mail or internet, so I didn’t need a central place...I could exist anywhere; I could exist abroad probably and still carry on the business here in this country.”* *“Obviously it’s cheaper and more convenient to be 5 minutes from home rather than having to get into Newcastle.”* Just because the location was unimportant in the initial decision, however, the business has developed local links: *“We work with typesetters, designers and printers who are dotted around the North East, within reasonable travelling distance.”* Examples such as this demonstrate the potential value of human capital that migrates into rural areas, even if initially it is employed in an urban economy.

A photographer described similar rationale for moving but with a stronger focus on the push-factors. After six years working in the city centre, one of the partners said *“We found working in the city centre to be a total bind for what we do. We’re often in and out of the studio 3,4,5 times a day and doing that out of Newcastle was just ridiculous, we were spending 3 hours a day in the car and having nowhere to park, we did rent a space but the*

cost was ridiculous whereas we've got free parking here for all the clients as well. It's a much nicer place to work out here, peace and quiet, whereas in town we were just round the corner from the fire station and the police station!" After this, they also mentioned that the rent was approximately half as much, but this was clearly not their primary concern when moving. The lack of broadband was one potential barrier but the landlords were already in the process of arranging the service to be upgraded. Without these infrastructure improvements, the opportunities for new businesses are undoubtedly restricted but entrepreneurial aspirations to move into rural areas can clearly act as a catalyst to providing improvements that can benefit a wider section of the local rural economy. In-migrants are often championed for introducing new competition and driving existing businesses to becoming more efficient and innovative and where their relocation facilitates or encourages other infrastructural investments, their can clearly be net gains for the local economy.

Although rural areas tend to be associated with higher prices for housing, some explained their choice based on lower housing costs. One commented that *"We knew this place because my wife's family is (nearby), we quite liked it and it's affordable,"* adding that it was also a good location from where they could both commute to work. Only later did the opportunity arise to take over the running of a local business, at which point expertise derived from elsewhere was used to re-structure the business in a way that has enabled steady growth in both sales and employment.

Another that referred to their location being affordable in a residential sense explained that the move was influenced by a growing family and the need for additional space, and not by any business influence. However, after settling in the village they identified an old property that had been on the market for quite a while and thought it would make a good Bed and Breakfast. Having got to know several people in the village and discussed the idea, they developed the belief to buy and renovate the property. They are clearly proud of their achievements, saying *"We've not only set up a business for ourselves but we've improved the village"*. Once again, an example of in-migrants drawn to a location for non-business reasons making a significant difference both to the built infrastructure and to the economic activity in the village.

Conclusions

This analysis has shown that business and lifestyle influences are not inseparable. This fits with Granovetter's thesis on embeddedness where "The argument that the behavior and institutions to be analyzed are so constrained by ongoing social relations that to construe them as independent is a grievous misunderstanding" (Granovetter 1985, pp481-482). In some ways, this implies that the migration decisions of commercial counterurbanisers are often little different to those of other rural in-migrants. Especially among 'unplanned in-migrants', business factors are clearly of minimal importance. For these people, the business decision develops through a combination of a desire to work closer to or at home, recognition of local opportunities through community engagement and recognition of professional opportunities through their employment. In this sense, counterurbanisation can be seen as a positive driver for rural economies as it introduces new forms of capital that are sometimes, albeit not immediately, employed within the local area.

Among planned in-migrants, business factors were much more prominent in their decision making but given that the business imperatives extended beyond pure profitability measures, the choice of location was a socially complex decision, and in none of the interviews did in-migrants speak of their location decision in terms of business planning methods. Even the restaurateur with clearly set out criteria for choosing premises include a range of family issues and mentioned nothing of the market size, labour pool or profitability indicators.

The lower cost of premises for many sectors of rural business and the lower costs in terms of congestion and labour have been recognised as attractors although more often than not they facilitate a decision made based on other criteria rather than being the overriding influence. This suggests that rural economies are not reliant on businesses that are simply seeking to cut costs, as per the urban-rural shift in manufacturing thesis, but instead they are attracting a range of business owners with diverse ideas, many of which seek to valorise the unique features of their location to maximise the potential of their businesses and to maximise their personal quality of life.

The implications of these findings are that rural economies attract new businesses by offering a set of features that provide the best socio-economic environment for the running of certain types of business. This may sound trite as the conclusion to a paper but its significance lie in the need for local planning and local development policy to consider work-life interactions at the individual and family level and to consider the interplay of community and business dynamics at the settlement level.

Live-work developments may be one approach to supporting new business creation but with many in-migrants only entering business some time after their move, the creation of opportunities beyond the time of the move is equally important. As we have seen, opportunities arise from personal interactions, especially between individuals with different experiences and networks, and this relies on community spaces for interaction, often at a very informal level. As these 'spaces' are often businesses or community organisations (see Atterton *et al.* 2011), we can see that policy itself can also benefit from an approach that combines community and economic development objectives. In part, we might consider the Localism agenda in the UK as a step in the right direction, giving communities a stake in planning decisions and encouraging them to play stronger roles in other aspects of local development but translating this into deliverable policy outcomes remains work in progress.

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