

Title:

All About Franchising and Starting up a New Franchise Business

Word Count:

520

Summary:

If you are looking at getting involved in franchising and are wondering how to go about starting your own franchise business this article explores the possibilities.

Keywords:

Home business, franchise opportunities, candy franchise

Article Body:

Copyright 2006 Peter Hayes

Franchise business opportunities are expanding rapidly. If you look at the most famous franchise in existence today is the McDonald's corporation. McDonalds has established itself around the world and is one of the leading business organizations. Opportunities in franchising continue to develop as the franchise industry develops.

What is a franchise?

Information on the Franchise Business

A franchise is a mirror image of an original business idea. When a business has become successful the opportunity arises to duplicate the success in other locations. When an individual purchases a franchise opportunity, they are purchasing is the right to repeat the original business operations in another area. To help them achieve success a franchisee receives complete instructions on how to achieve the success achieved by the original business. They get an established and proven business plan and marketing plan on which to build their new business.

A franchise has been granted the authorization to sell or distribute a company's goods or services in a certain geographical area. For example, a restaurant or coffee shop's marketing area is limited, usually to people in the immediate local area. Therefore, creating another restaurant or coffee house based on the original business in a different area would be considered a franchise.

The original business developer determines the formula for producing the same result achieved by the original business and how this formula can be repeated in new locations. This formula is packaged and sold as a franchise. This package is sold to interested parties who can achieve success simply by following the proven formula.

Why Do Businesses Sell Franchises rather than Expanding their own Business?

What is the advantage of developing a franchise as opposed to simply opening the business in multiple locations? It is quite possible to open a number of restaurants in one city or county or even within a state. However, the time requirements and energy required to do this is extensive. Franchising offers the possibility to expand the business and have others on board to share the burden.

It would be impossible for someone like Roy Croc, who developed McDonalds, to run each individual McDonald's restaurant around the world. To expand your business without running it into the ground, you need quality people who have an interest at your own bottom line.

Information on Buying a Franchise Business

Many people would like the freedom to start their own business. However, they may be new to the business world. Or they may not be confident of their ability to develop a business. Or they may not have a business idea that they are confident in.

The opportunity to start a business that has a proven success record and an established plan for achieving a similar success is what makes franchising attractive to new business owners.

This is beneficial to both the original business developer and the entrepreneur. The business developer makes a profit by selling his system and the entrepreneur gains the knowledge from an experienced owner with a successful business. This increases the opportunities for the entrepreneur, which allows for a greater chance of success.