

The Advantages of a Franchise

I am fully confident in making the statement there are many advantages to becoming a Franchisee in a good Franchise system. Of course, there are certain disadvantages as well and each person must weigh their own dreams and desires in relation to what they want from their life. To many, the advantages will far outweigh the drawbacks. That's why we have seen the domination of Franchising as a business strategy in the global marketplace over the past several decades.

As the business strategy of Franchising evolves, it seems to become more and more attractive as time marches on. It's more attractive to Franchisors, and more attractive to Franchisees. That's a reflection of the fact that Franchisors are simply getting better at it. Franchise systems are becoming more and more successful, and more Franchisees are fulfilling their dreams by joining good systems.

Reduced Risk of Failure

One of the significant benefits of becoming a Franchisee – opposed to starting your own business from scratch – is the reduced risk of failure. The statistics are overwhelming when comparing the success rates of Franchises versus stand-alone businesses. Depending on which study is being quoted, and which time frame is being analyzed, the numbers are staggering in favor of Franchising.

If we examine the reasons for the huge difference, it becomes apparent there is great value in collaboration. First, a Franchisee has the Franchisor to rely upon for advice. The Franchisor will have faced the same issues as the Franchisee as they built the protocol business and can pass along the wisdom gained through that process. That means the Franchisee doesn't have to guess at opportunities or solutions to problems in the business.

Not only does the Franchisee have the Franchisor to lean on for sage advice based on actual experience, they can also call upon the other Franchisees in the system who are dealing with the same opportunities and issues.

The opportunity to discuss issues and opportunities with people who are dealing with the same items in their daily business lives is a tremendous benefit of a good Franchise system. In fact, the best systems will facilitate this process with events such as an annual conference, regional Franchisee meetings, and by using teleconferencing and regular webinars. All of these practices add to the value a good Franchise can deliver, as well as helping to mitigate the risk of failure. A stand-alone business must find external sources for such training and coaching sessions and even then, the programs will not include people that face the same day-to-day issues like a Franchise system.