

Your Name _____

Selecting a Franchise



Select two franchise opportunities that you would consider starting in your community. Research and record information about each business below. Use a colored marker to highlight features of each franchise that give it an advantage over the other.

	#1	#2
Franchise name		
Product or service		
\$ Needed to start		
Annual royalty and advertising fees		
Number of existing franchises		
Years franchiser has been in operation		
Location of franchise headquarters		
Abilities and Interests		
<ul style="list-style-type: none">➤ Is this a business that you think you would enjoy over time? ➤ Do current franchise owners have any prior technical backgrounds or special training that helps them succeed? What is it? ➤ Do you have a similar background? ➤ Do you have any other skills or abilities that can help this franchise succeed?		

<p>Consumer Demand</p> <ul style="list-style-type: none"> ➤ Is there a demand for the franchiser's products or services in your community? ➤ Is the demand seasonal? For example, lawn and garden care or swimming pool maintenance may be profitable only in the spring or summer. ➤ Is there likely to be a continuing demand for the products or services in the future? ➤ Does the product or service generate repeat business? 		
<p>Market Competition</p> <ul style="list-style-type: none"> ➤ What is the level of competition for the product or service, nationally? ➤ What is the level of competition in your community? ➤ How many franchised and company-owned outlets does the franchiser have in your area? ➤ How many competing companies sell the same or similar products or services in your area? ➤ Are these competing companies well established, with wide name recognition in your community? ➤ Do they offer the same goods and services at the same or lower price? 		
<p>Name Recognition</p> <ul style="list-style-type: none"> ➤ Is the company's name widely recognized? ➤ Does the company have a reputation for quality products or services? 		
<p>Training and Support Services</p> <ul style="list-style-type: none"> ➤ What support does the franchiser provide? <ul style="list-style-type: none"> • Site selection • Building design and construction • Financing • Training • Ongoing supervision and management help • Advertising and other marketing • Bulk purchasing 		

<ul style="list-style-type: none">• Other➤ Does the franchiser has sufficient financial assets and staff to support the franchisees?		
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Which of these franchises would you choose to start near where you live or go to school? On a separate sheet of paper, write one or two paragraphs telling your choice. Cite at least three reasons for your decision.

Questions adapted from the Federal Trade Commission publication, **A Consumer Guide to Buying a Franchise** [<http://www.ftc.gov/bcp/online/pubs/invest/buyfran.htm>][©]