

# Is Buying a Franchise a Good Idea?

A franchise survey conducted by Sanlam in 2019 indicated that the South Africa's franchise industry contributes just under 14% to the country's GDP. Looking into buying a franchise for sale in South Africa is certainly worth it. Additionally, many franchises have stood strong in the midst of the devastating effects of the Coronavirus on the economy. There are many benefits of buying a franchise that has become more and more apparent.

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### Buying Franchises for Sale: What are the Benefits?

Franchisees pay the franchisor for the right to do business under their trademarked name for a specified period of time. The franchisee has access to the franchisor's entire business process, including products and/or services, operating/training manuals, systems, and support facilities, and much more.

In exchange, the franchisee is expected to run the business within the standards set by the franchisor, and make a success of the franchise.

Other benefits include:

#### Support

Franchisees have the advantage of additional support from the existing franchisor; especially if the franchise has been in business successfully for an extended period. Marketing techniques have been tried and tested, the products or services offered are a success with customers, and most hiccups and school fees have been paid and they've found solutions for them

### **Growth Opportunities**

Regardless of tried and tested methods, franchisees can bring in a new perspective, meaning that there will still

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be challenges and opportunities for innovation in the business. By understanding existing customer behaviour, growth spots, and products and service trends, franchisees can improve on the existing offerings and increase profitability by speaking to the other franchisees.

### Franchise Training

The franchisor is constantly aiming at making improvements on his business. This means there is consistent training throughout the franchises using a formula that works. The foundation of this takes the legwork out of starting from scratch. Marketing has also been established, meaning there is no additional training necessary for building corporate identity and implementing strategies. The foundation of all of these can be built on.

## How Do You Go About Investing in A Franchise?

If you are considering buying a franchise, there are many ways to go about it. The best way would be to visit a reputable site that showcases franchises for sale, make contact with your preferred one, and then do your own evaluations. For business buyers, Business For Sale is the perfect platform for exploring franchises!

Although there are multiple benefits for buying a new franchise, there is just as much reward in buying an existing business or even an established business. We also give our clients space to list their business or franchise for sale in South Africa. Visit our website for more information!

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