Adv. of Franchising

- increases brand awareness
- royalty payments
- still your own business
- expand into multiple locations

Disadv. of Franchising

- could have different standards and quality
- might give the business a bad reputation
- can lose control
- you don’t get the entire profits earned by the franchisee

Supply Factors

Mainly concerned with the operating costs of the location, what is costs to produce or provide goods and services
- costs of the operation

Demand Factors

Mainly affect customer service and revenues.
- type of customer service the business wants to achieve
- potential revenues that can be achieved from the location
Wholesalers

Stock a range of products from several producers, sell onto retailers.

Retailers

A company whose business activity is to sell to consumers, an example would be a supermarket. They are the final link in the chain of distribution.

Distributors & Dealers

Take products from producers and sell them on

Profitability

Stronger means business is able to finance expansion through reinvesting profits rather than looking for external finance.