

[Franchise Ideas: What Franchise is Best for You?](#)

If you like the idea of being self employed yet entering the marketplace with an already established business then a franchise might be a good opportunity for you. However, there is a lot to learn about franchises before taking a leap into this entrepreneurial world. Your previous business experience, amount of investment, and personal preferences will play a huge role in whether or not you are suited for a franchise. Plus, you will need to have a franchise idea to help you get started.

All franchises have the possibility of being lucrative and they all have the possibility of failing. Most of the time the making or breaking of a franchise is the franchise owner and his ability to overcome problems that present themselves not to mention staying dedicated to the franchise at all times. There are three basic types of franchises, including wholesale distribution, products, and services. The type of franchise you should pick is not the one that has the supposed possibility of making you the most money because this simply won't work. The most lucrative franchise for anyone is the one they find enjoyable and don't mind dedicating all their free time to making a success.

Before choosing the type of franchise you want to open you will need to consider your business experience, the investment you can make, and what you would enjoy doing.

Investment

When it comes to franchising you will be expected to pay a one time franchise fee simply to have the rights to open that franchise. This one time non-refundable fee ranges depending on the franchise you are interested in. There are also other fees associated with franchises like startup expenses, licensing, insurance, inventory, royalties, and marketing fees. Different franchises have different fees so it is important to consider all the fees associated with each franchise you are interested in.

Once you calculate the initial investment for the franchises you are interested in then you will be able to determine which one best fits your financial situation. If you don't have the capital for opening a particular franchise then you should find one more suited to your financial situation.

For example, if you want to open a Bruegger's Bagel Bakery franchise then you need a net worth of at least \$200,000 with liquidity of \$100,000. The estimated cost of opening your franchise is from \$230,000 - \$489,000 plus the additional cost of real estate. As you can see this franchise idea requires a significant investment, which should only be made by someone who has the money and commitment to this type of franchise.

A more affordable franchise is from Dollar Store Services. With only \$48,900 you could have the turnkey franchise up and ready to go. Only \$15,000 of liquid capital is required for this franchise and estimated capital investment is from \$48,900 - \$600,000.

The coffee business has been booming and Starbucks is a perfect example. However, Starbucks are really expensive franchises to get into. So, if you have a coffee franchise idea in mind and don't have much to invest consider the Folgers Coffee Heaven Franchise. The minimum investment required is \$9,999, which is one of the lowest franchise fees out there.

Business Experience

Many individuals have a franchise idea, the necessary capital, and run with it without ever considering their business experience and whether or not they are suited to making their franchise work. If you want a lucrative franchise you need to be able to make the business work. And, experience in that particular business will work wonders.

For example, if you have worked at a fast food restaurant for 15 years and know all the ins and outs of the business then opening a fast food franchise of your own makes the most sense. You have the business experience and the knowledge in that business to make it work. On the other hand, if you have been a banker for 15 years and decide to open a fast food franchise you will not have the same level of business experience to make it as successful as possible.

Of course, you can go through training and the like, but if you don't know your franchise idea's business inside and out you won't get off to the best start.

You may have zero fast food experience, but have always dreamed of opening a McDonalds. If you choose to do so you will need to team up with a manager who is very knowledgeable and experienced in the fast food business to help you make your new franchise successful.

Not all franchises help franchisees significantly once they get up and going. In fact, if you are looking for your franchise to hold your hand because you don't know the business then you will probably fall flat on your face. The importance of having some basic business experience in the franchise you

are dreaming of cannot be stressed enough.

So, What Franchise Idea is Best for You?

Now that you have evaluated your liquidity, total investment, and personal business experience you are that much closer to finding the right franchise idea. Remember, however, that while having the financing and experience down there is still one very important element. What's left you might be wondering? The answer is personal interest. If you are not personally interested in selling hamburgers and making the general public want to eat more hamburgers then you are going to have a tough time making your hamburger franchise a success. So, when considering franchise ideas keep these three key points in mind, investment, experience, and personal interest, to make sure you find the best franchise for you.

About the Author

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