

New Data Reveals 60% of People Don't Know What a Business Franchise Is

New data collected by franchising providers What Franchise unearths a widespread lack of awareness of the business development strategy.

London, Jan 30, 2019 (IssueWire.com) - **60% of the British public are unaware of what a franchise is**, or how the business practice works, according to new research conducted by [What Franchise](http://WhatFranchise.com).

Business franchising numbers have seen significant increases in recent years. Profitability and employment rates within franchised firms are at [record highs](#), as in-built safety nets allow franchise stores to thrive while 4 in 10 SMEs collapse [within five years](#). Yet, franchising as a practice still sees relatively low establishment rates when compared to the foundation of small businesses firms. The UK has over 44,000 active franchised outlets in operation, paling in comparison to independent small businesses, which amount to [nearly 6 million](#).

“Compared to independent small businesses, franchises see a much smaller percentage of ownership. Just 0.7% of UK businesses are franchised, while over 99% are independently operated firms,” comments James Fell, representative of What Franchise.

Fell continues: *“Over 97% of franchises are profitable, compared to only [78% of SMEs](#). This success is often borne from the benefits of the practice, including proven business models, instant brand recognition, pre-established customer bases, supply networks, contacts and more — during such turbulent economic times, we wanted to know why more entrepreneurs and business owners weren’t investing in this kind of stable business activity.”*

Results of the What Franchise survey highlight a distinct correlation between franchise interest and a lack of awareness. The concept of franchising has not found its way into public consciousness in the same way as traditional business development, likely leading to the dramatic imbalance in foundation and development of both enterprise platforms.

“Our data suggest that more awareness is needed among communities,” says Fell. *“There is potential here for real missed opportunities, owed to a lack of understanding and knowledge of this valuable business practice. The benefits of increased franchising to both the national economy and personal wealth cannot be underestimated. We want to see 2019 as the year franchising really begins to flourish and take on new life.”*

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