

commitment individual entrepreneur; on the other hand the resources, commercial power and vast experience of large companies. By combining all this factors, we get the power, responsibility, strength, resources and expertise.

**Bondar I., Yelizarov I., Karban V.
Mel'nikova I., research supervisor
Kryvyi Rih National University**

SUCCESS FACTORS OF FRANCHISING COMPANIES

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One of the most successful tools in business today is franchising. Its application includes assignment of rights to use a trademark to a standalone company or to sale branded products to other companies.

The transmission of the right to use a well-known brand name is a source of considerable income. Franchising also helps promote the brand in undeveloped markets.

Acts on behalf of a well-known company enables franchisees to avoid extra expenses on advertising and providing information about their products, as the products they sell are widely known. Practice shows that small and medium businesses that develop through franchising, is consistently profitable and they are competitive for a longer time and retain their positions better than newly set-ups.

The largest franchise companies of 2016 were McDonald's, SUBWAY®, KFC, Burger King, Pizza Hut. Franchise companies were assessed on the basis of the following indicators: the number of granted franchises, franchise revenue, sustainability and growth, the length of activities and market expansion period.

Due to their successful marketing policy, companies engaged in franchising, are constantly expanding their activities and receiving significant revenue. This is achieved through several franchising benefits including increase of the number of trade missions, reduction of their maintaining costs, the company's popularity growth. Franchising activities provide opportunities to get round antitrust laws in different countries, as some powerful companies can take a significant market share. Creation of franchise companies on new territories reduce business risks for the franchisor associated with a new market, as the business owner is a different person, better adapted to these conditions.

Thus, it can be concluded, that franchising is the best choice for a new entrepreneur to succeed in their business. And for big companies franchising is one of the best methods to refresh and expand economic activity.