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THE BELARUSIAN FRANCHISE MARKET: TRENDS OF DEVELOPMENT

Every entrepreneur who wants to start a business with an idea that has already proven itself in the market has a choice: start from scratch or buy a franchise. This choice is more difficult than it seems, because the money invested in the business is at stake. Some say that the franchise is a waste of money. Others call it the best way to get rich.

Franchising is the purchase of the right to use the name, trademark, and technology of another firm. The main advantage of a franchise is that you get a “ready-made business” and avoid many of the risks associated with starting a business from scratch. In the era of modern technology, you can buy not only a classic franchise, but also an online franchise.

But franchising is not the dominant system in business, which means that it is far from ideal. The main drawback is the high cost of the launch package, especially when it comes to exclusive rights to the brand. Also, the franchise can become a brake on creative development. For example, if an entrepreneur has a new idea that can significantly develop the business and increase profits, he will not always be able to implement it.

Despite all the pros and cons, franchises around the world have stood the test of time, Belarus is no exception, although the franchise market in our country is relatively young. As of September 2019, a total of 543 franchising agreements were registered in Belarus. The most popular industry was trade, with catering in second place, although it is worth noting that in the world of franchising catering takes the first place.

One of the most important events for the Belarusian franchise market was the opening of H&M and New Yorker stores. The arrival of these brands indicates interest in the market and that global companies see potential in our country. We also should mention other international franchises such as Japan’s Miniso and Israel’s COFIX.

It is worth saying that, in addition to foreign brands, the number of national ones that offer their franchises is growing every year. Such enterprises are “Kommunarka”, “Svitanak”, “Makei” and others. A striking example is the website of the company “Krasny Pishchevik”, where the franchise is actively offered.

The franchise market in Belarus is constantly changing. Some interesting brands appear, others do not stand up to competition or leave for other reasons. But in these minor fluctuations, you can see a positive trend.