

Welcome to IF Consulting's e-Newsletter

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Our regular email tackles the topical issues that surround all marketing channels and their underlying strategies.

Sandwich franchise offers upside option

Entry-level entrepreneurs are flocking to invest in a new "vanchise" operation developed by U.K.-based sandwich chain Benjys. The concept sees the Benjys network of mobile vans expand into fully operational sandwich retail stores.

One hundred and fourteen "vanchisees" have been brought into the Benjys' fleet over the last 12 months. According to Benjys, the vans are priced at £15,000 to entice first-time entrepreneurs, and franchisees can expect to earn between £20,000 and £60,000 per year. In addition to the vans, Benjys has expanded through 36 new store franchisees.

Benjys' growth can be attributed to the appointment of nine development agents earlier this year. The agents are responsible for identifying growth opportunities and recruiting suitable franchisees and store members. Ian Rickwood, chief executive of Benjys, said, "We now have a strong team of franchisees and development agents growing the presence of the Benjys brand both within our London base, as well as in new areas across the UK."

http://www.besnesseurope.com/newsfeed/document?id=BEP1_News_0000073522

IF Comment

Benjys is an extension of a new franchising initiative – people going into businesses by buying a job.

The concept of lifetime employment has truly passed. Today, very few people have the comfort of knowing that they will be employed when they reach the age of 50 or 60. Many employees that are laid off, made redundant or retrenched are paid significant amounts of money to go away.

Depending on their age, they find work either to continue having money come into their households or, simply, to keep busy. These needs have led to the growth of basic franchises such as lawn mowing rounds, dog washing franchises and businesses such as Benjys.

Many job-buying franchisees end up working harder and/or putting in longer hours than they did in employment. Others find that they are not cut out to be their own bosses and miss the reliability of a regular paycheck and the camaraderie of being part of a larger group.

One of the subtle and not socially acceptable aspects of job franchises is the opportunity to evade taxes because so many job franchises work on a cash basis.

Looking to the future we can look to a proliferation of job franchises, because:

- Employment is transitory



Marketing Channel
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through creating the best route
to market

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- People are time poor and prepared to pay for the services job franchises provide
- We're living longer and many people want to be active despite their age
- An aging population requires more services

The challenge for job franchises is for the franchisors to ensure that their businesses live up to their promises to franchisees and that they don't end up regarded with the same negative view as pyramid marketing.

Snippets

In a similar vein to specialized news aggregation sites and other large search and portal companies, Google has recently added RSS (Really Simple Syndication) and Atom content feeds to its news search product. The move could open up new marketing channels, with RSS seen as a major force in distributing both content and advertising.

<http://www.ecommercetimes.com/story/a50tWUSAGzT5ET/Google-Brings-RSS-to-News-Search.xhtml>

Frozen seafood exporter Sea Royal Group is shifting its focus to Thailand's domestic market because of rising fuel prices. The group is planning to tap into the rising popularity of Japanese food by setting up a new ramen franchise system. The Omaishi ramen franchise has three levels: the cart, the shophouse model and a Japanese food stall.

http://www.bangkokpost.com/060805_Business/06Aug2005_biz72.php

Japanese musicians are defying their record companies by trying to get their music in Apple's iTunes Music Store. The musicians are under contract with Sony and other labels that have not joined the popular download service introduced last week in Japan.

<http://www.iht.com/articles/2005/08/10/technology/itunes.php>

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