

ELEMENTS OF FRANCHISE AND NETWORK MARKETING IN NORTH AMERICAN ECONOMY

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Abstract:There are stories about successes but also about failures referring to franchise and network marketing businesses. Considering the similarities and differences they offer, it is necessary to correctly indicate them for a certain situation. If someone wants to find out the perfect moment for a proper business, he must determine its sense; he must also compare and make a clear difference between its applicability through network marketing or franchise acquisition. There are great stories about success, in both categories, as well as stories of monumental failure and financial loss. A careful analysis and comparison will help one businessman to understand the risks and costs involved; he can also develop the proper opportunity for the unique situation that he turns it into account with specific financial tools. According to the American specialists, network marketing is the “the supreme synergy” as it combines the best parts of the franchise concept with the best parts of the exponential growth. For a clear image, we would like to review the two concepts and the relationships between them.

Keywords: franchise, network marketing, business, product, service, network distributors.

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