



PRESS RELEASE

Business model Franchising – “Solid as a rock” in times of economic challenges

The Franchise model booms. Especially in economically challenging times franchise companies like RE/MAX offer entrepreneurs a solid ground to start their own business: An established brand combined with knowhow, marketing services and technical support build a strong basis for economic success.

Whereas the world had to witness a downturn in most economic sectors in the past years, there have also been growth industries, such as the franchise business. Franchising concepts in particular became a more and more attractive business model for entrepreneurs who are great in converting and implementing ideas. Not least because of the many benefits a “ready-made brand” presents. “The failure rate of franchisees is considerably lower than in “normal” entrepreneurship”, says Michael Polzler, Managing Director of RE/MAX Europe. However, the highly praised business model comes along with challenges for both sides the franchisor and the franchisee: “People are underestimating the pressure and expectations when joining a Franchise. At the same time giving a Franchise to someone who does not have enough thrive or is not capable of the basics in business could lead to brand damage, so giving away a franchise is a task of great responsibility.”

RE/MAX: Best practice despite economic crisis

With offices in 33 European countries and 84 countries worldwide RE/MAX is a very successful franchise company in the field of real estate. Despite the burst of the housing bubble in the United States and the following challenging times a few years ago, RE/MAX is still the No. 1 in Europe. “The reason for our success is our strong network and the associated knowledge exchange. The headquarter supports the RE/MAX regions with PR and marketing activities and offers training programmes. In testing times the network acts as a safety net to balance out difficulties”, says Polzler.

The advantages of franchise concepts are obvious, as RE/MAX puts it: “You are in business for yourself, but not by yourself.” Nevertheless the requirements of franchise companies must be fulfilled and this is not an easy task.

RE/MAX Europe
Regional Services

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Each RE/MAX office is independently owned and operated.



Self-reliance + business sense + strong brand = SUCCESS

As in every business those who trust in themselves and have good ideas will be the successful ones, the leaders. Joining an already strong brand is the icing on the cake and can lead to a profit maximization. A fact that attracts many interested parties. "Potential franchisees need to bare in mind, that it is not enough anymore to just take a brand and wait for customers to come to you. Especially in the real estate business we need to show extra effort, be creative if we want to grow", says Polzler. In 2011 RE/MAX sold licences in Finland, Lithuania, Albania, Bosnia & Herzegovina, Bulgaria and Poland. The search for potential candidates was not an easy one: "If we do not see the creative potential and a distinct business sense in applicants, we won't sell them a RE/MAX licence. But if we do, we offer them a whole lot of opportunities and perspectives", states Polzler.

About RE/MAX Europe Regional Services

Number One in the world, RE/MAX is now the fastest growing real estate franchising network in Europe. A global real estate franchising system in 84 countries that now is in its 38th year of consecutive growth, RE/MAX has more than 6.000 independently owned offices with over 87.000 sales associates globally. RE/MAX in Europe is represented by over 11.000 sales associates in more than 1.450 independently owned and operated offices across 33 countries.

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