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**Franchising as an effective business model for tourism**

The topicality of this study is to consider franchising as an alternative to an independent business in the tourism industry during the economic crisis and the difficult geopolitical situation in the world today. According to the world statistics of all the newly formed 85% of enterprises come out of business during the first five years, and a company established under the franchise - only 14%. Russia in recent years has become one of the world leaders in terms of growth of franchising. Furthermore , the number of people employed in this sector in 2010 amounted to 327.426 thousand people against 277.48 thousand in 2009; the number of franchisors has reached 595 companies with 485 a year earlier, the objects of franchising - 28 044 000 to 20 731 thousand in 2009. The process of economic recovery in the leading countries of the world after the crisis demonstrates the growing demand for franchise business model. The middle class prefers to begin its work under the wing has formed a brand. With such dynamics in 2020 the number of employed in franchising in Russia could rise to 1 million, and the share of the franchise in the GDP - up to 5%

The problems of the study of the subject there are several points:

* Imperfection of the Russian legislation in this area (still not passed a law on franchising)
* Low awareness of potential partners about this form of business
* Franchises Russian tourist firms are poorly represented in foreign countries except CIS countries.

The purpose of the study is the following aspects:

1. To determine the prospects and trends in the development of franchising in the tourism sector
2. To evaluate the viability of the organization of travel agencies in times of economic crisis and economic sanctions
3. To develop methods and ways to reach Russian tourist companies with the franchise system in the regions of Russia, the countries of Southeast Asia and China, the European Union, the Arab countries of the Middle East and North Africa.

In the course of analysis the following results were obtained:

A. franchise business experienced World economic crisis easier to other business systems. Russia has become one of the world leaders in terms of growth of franchise chains. By 2020, the proportion of franchising in the country can be up to 5% of GDP.

B. In 2010, the sales network of franchise catering in value terms increased by 17%. Number of network institutions, almost completely franchised, with the II half of 2008 for the I quarter of 2011 increased, according RBC research, by 14.8% compared to the pre-crisis level.

C. The successful development of the past few years have demonstrated franchised network in niches of exclusive offers. For example: a network of ice cream cafe "Baskin Robbins" and gift shop "Expedition". "Baskin Robbins" has demonstrated a unique speed of development of the network. From the beginning of 2009 to October 2011 Russia and the CIS the number of establishments increased from 130 to 230 (an increase in 77%).

The study identified the main methods of expansion of the Russian tour agencies to the international market

1. The marketing promotion (participation in fairs, advertising in the mass media, registration in the register of franchises)
2. By means of brokerage (the situation when a broker is promoting under the conditions «success fee» brand in the market which is known to him)
3. The use of national groups and immigrant background.

A typical market trend now is growth of the share of economy-class franchises, with a starting capital of 1 million rubbles, which now stands at about 15%. The emergence of tendency is provoked by young businessmen, who actively take on the development of their own business. Naturally, in order to reduce the risk, they prefer to invest in franchising projects, but with little investment.

In general, it can be noted that the franchise in our country is developing at a good pace - an annual growth is 20-25%. Probably that was facilitated by this crisis, which has made entrepreneurs search proven business model. One way or another, we can observe a trend towards franchising in Russia.

At the moment, the crisis in the tourism industry and economic stagnation is a major factor in the selection has become the reliability which partly guarantees a recognizable brand.

To crown it all, we can conclude that a franchise system may let new players gain a foothold in the tourism market and can be a perfect way for people to have a own business in the difficult period of economic.