

KFC Franchise Cost in South Africa

In this article, we will discuss what one can expect from a KFC franchise in terms of the selling price as well as starting costs involved. We will also discuss what aspects influence an existing KFC's price.

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Whether you are <u>looking at purchasing or selling a KFC franchise</u>, there is one question that pops into one's mind, " How much does a KFC franchise cost in South Africa"? If you are a potential buyer then you are probably wondering what a fair or expected price of a KFC franchise would be and if you are selling you are probably wondering how much you should sell for.

In this article, we will discuss what one can expect from a KFC franchise in terms of the selling price as well as starting costs involved. We will also discuss what aspects influence an existing KFC's price.

How Much Does it Cost to Buy a KFC Franchise?

It is hard to determine exactly <u>how much KFC charges</u> to open a new franchise; however, the number has been rumoured to be anywhere between five and six million. The price does typically increase if one is purchasing an existing KFC. This is because there are many aspects that influence the price of an already established KFC franchise. Some of these aspects include:

- **Customer Base**: If you are purchasing an existing KFC, their current customer base's experience and impression of that branch is vital to the selling price. If the customer base has typically had bad experiences with that specific location, you as the new owner will have to work hard to rebuild the reputation. However, on the other side, if you are purchasing a branch that has an excellent reputation, the price might increase.
- Location: The location of a franchise is extremely important, especially when one is looking at a fast-food franchise such as a KFC. typically, one would want to position a franchise close to a highway or on a main road to attract as much passer-by traffic as possible. The better the location, the higher the price.
- Existing Cash Flow: When you purchase or sell an existing franchise, the current cash flow of the franchise is sold with it. This will inevitably increase the price of the business unless it is of course almost bankrupt.

Calculating Your KFC Franchise's Price

As with any business, one must <u>have a franchise valuated</u> before settling on a selling price. A valuation can be defined as a procedure that is followed to determine the economic value of a business. If you are interested in selling your franchise, Business For Sale can offer you packages that will make your selling process as easy as possible. Our packages include a business valuation and many other perks that will make selling your franchise seem like a walk in the park.

<u>Contact Business For Sale</u> to find out more about how you can sell your franchise.