

Venture capital and franchising as a means of financing startups

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The key to the successful development of any state is the availability of innovations that can simplify and ease the lives of both individual individuals and society as a whole. And so there is a problem associated with the search and attraction of financial resources to support and develop creative and, besides, risky business structures – startups, especially in view of the rapid increase in their size and demand.

The main forms of financing startups in the world are franchising and venture financing.

The annual growth rate of franchising startups is almost 2%. As a result, in 2018, it is expected that the number of start-ups financed by franchising will be over 753 thousand. At the same time, the number of employees employed in these start-ups, has more than 8 million people. At the same time, the output of these starts annually grows by almost 6%.

The purpose of the publication is to determine the effectiveness of these methods of financing start-ups.