

ABSTRACT

The franchising businesses preeminently have been growing for many years. There are many kinds of this business such as fast food, book store, convenience store and video rental store and so on. The one who is interested in video rental store franchising should comprehend its features and prepare the feasibility study before making the investing decision.

This project document is proposed to conduct the feasibility study of video rental store franchising. The feasibility study for its implementation is addressed to explore the investors to understand the feature and method for running franchising business and also study feasibility of VIDEO EZY franchising project. The information is collected by using both secondary and primary data. Then all of the information will be used to analyze the feasibility of project in 3 ways, which are Operation, Marketing and Finance according to project feasibility's theory. By using Capital Budgeting Decision rules; Net Present Value (NPV), Internal Rate of Return (IRR), and Pay back Period will be the indicators whether it should be invested or not. The result of feasibility study shows that the Video Rental Franchising of this project has the possibility to be a success for the marketing aspect in medium rates. Meanwhile the operation and finance have high rates to be a success. The project's lifetime is 10 years and uses 3,100,000 bahts for investment. The feasibility of project has shown that it will be highly possible success with Payback period within 15 months, Net present value 16,676,660 bahts and Internal Rate of Return equals 69.3% more than cost of capital.

However the decision for the implementation of the video rental store franchising should depend on the individual decision whether he/she accepts the contract or not because the agreement mostly is a long time commitment.