

6 Things to Look Out For When Starting a Work From Home Franchise

You've probably heard the commercials on late at night promising to make you several thousand dollars per week with no cost to you and without lifting a finger, and if you haven't figured it out yet, when it sounds too good to be true, it usually is. While there are a lot of legitimate work at home businesses (like WSI which offers internet marketing to small and medium sized companies), if you're new to the business world it can be difficult to sort the good from the bad. One good rule of thumb is to go with a name that you can trust. While getrichnow44.com may promise heaps of cash for little to no work, a home business franchise will be a safer, more stable way to earn a steady stream of income for honest work, and when you go with an established franchise, you know that you'll be starting a real home based business and not just being tricked into buying a set of books or training tapes. While there are plenty of trustworthy work from home franchises, there are still some who will try to take advantage of the unsuspecting consumer, so here are a few of the things to look out for when starting a work from home franchise, courtesy of the Better Business Bureau.

1. Assembly Work-At-Home

This is a popular scam where you are asked to invest money to purchase instructions and materials, assemble the products in your home and then re-sell the assembled items to a company that has already agreed to purchase them. Once you spend several hours of your time assembling the goods, the company will usually decide that your work doesn't "meet their standards" and you will be out several hundreds if not thousands of dollars having wasted several hours of your life assembling these products that will be very difficult to sell to anyone.

2. Chain Letters

Usually a chain letter scam will consist of you making copies of a letter and sending them to the names on a mailing list. This is an old scam and while most people generally will be able to spot this as a scam from a mile away, people are getting craftier and will intimidate you to send the letters by either threatening bad luck or even involving religion. There are really no legitimate businesses that use a model of sending cash to people through the mail, so whenever you see something that remotely resembles this, steer clear of it.

3. Envelope Stuffing

These types of scams involve promises of making at least \$350 per week by stuffing envelopes. The U.S. Postal Inspection Service states that envelope stuffing has become a mechanized operation such that there's no real profit to be made by stuffing envelopes, so why are people claiming you can make money stuffing envelopes? Once you sign up for this scam, you'll start receiving tons of advertisements requesting money to provide you with money-making plans, but even if you follow through and purchase these plans, you will just be instructed to send similar ads to other people.

4. Multi-Level Marketing

This is basically the classic pyramid scheme where you sell products and recruit others to sell the products while you retain a percentage of their sales and the one who recruited you retains a percentage of your sales. While there are some legitimate multi-level marketing systems which rely on direct sales to sell good products rather than mass marketing and big budget advertising, there are still plenty of scams that closely resemble the legitimate ones. The easiest way to spot the difference is that with a scam MLM, there will be a huge emphasis on recruiting more and more people whereas the legitimate businesses will place the emphasis on selling their product.

5. Online Business

While there are plenty of trustworthy online businesses such as Air Advantage which provides high speed internet to rural areas or Adventures in Advertising which specializes in internet based advertising, you need to keep an eye out for the online businesses that sound too good to be true. These scams will usually tell you that you can make thousands of dollars each week and all you need is a computer. What actually happens is you end up paying for a disk or cd-rom with information about several scams of all different varieties, all of which will require money from you up front and will rarely make you any profit at all.

6. Processing Medical Insurance Claims

This is a particularly slimy scam that promises to make you \$800-\$1000 per week while you process medical insurance claims on your home computer. You will typically be pressured into buying software and computers at exorbitantly high prices and often times you will have no way to generate leads or to even turn in and process the finished work if you do find any clients.

There are a lot of scammers out there, but when you know what to look for you have a much better chance of avoiding these fraudulent businesses. A work from home franchise is a great way to insulate yourself from fraud as you will be working with a well-known company that has earned a good reputation by doing honest business. You can also make sure that the franchise you choose to go with is legit by contacting some of their franchisees and asking them about their experience, if the company is an honest one, the franchisees will most likely give them a glowing recommendation. Of course, the best thing is to avoid scams in the first place, but if you have been victimized, the best thing to do is to ask the company for a refund and tell them that you plan to contact the police and the BBB if they do not comply.

About the Author

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