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THE DEFINITIVE GUIDE

**TO FINDING AND
RUNNING A SUCCESSFUL
FRANCHISE**



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START RESEARCHING THE FRANCHISE FOR YOU

Whether you're a seasoned business owner or brand new to franchising, the first place we all start is research. From looking at industries that you can break into, to finding and training new workers, to marketing and continuing your own education, there are many moving parts to a franchise location. Doing all the research can leave you far better prepared many years into the future. We will give you a handful of research tips to ensure you get the most out of the opportunities that interest you.

So, you are considering starting your next franchise business. Whether you have decades of experience or are jumping in and learning all at the same time, there's much to consider. (Both are excellent options in our opinion!) From looking at industries that you can break into, to finding and training new workers, to marketing and continuing your own education, there are many moving parts to a franchise location.

Starting at the beginning; doing your research can leave you far better prepped in years to come. As well as allowing you to be adaptable to a changing market. Take a look at these best research tips and get started on learning the behind-the-scenes info about your next business opportunity.

How to Start Researching Your Franchise Business

Start by looking at the gaps in your knowledge base. What do you know vs. what you need to know? If you're a beginner, looking anywhere and everywhere can provide you with important insight. However, that's also a process that can quickly become overwhelming.

Determine how you best learn (videos, reading, audio books and/or podcasts) and set aside some time to dedicate solely to learning. This can be 30 minutes to an hour at a time – nothing too long so the task doesn't become daunting. During this designated slot, immerse yourself in the process. This should be fun and exciting. Learn as much as you can, and get yourself excited about your upcoming franchise business.

If you're more experienced or are wanting to take on more in-depth projects, you can use the same method, but with particular subjects. Do you need to brush up on sales tactics? Look for expert educational tools that cover sales. Highly reviewed authors, recommended YouTube videos, and more. The same goes for employee training, digging into city codes, etc. Wherever your area of weakness, tackle it head on.

As a franchisee, you also might be considering continuing education in the form of classes. This can be a great tactic to gain formal skills, including those you can put on paper. (Don't forget to add this to your resume!)

Keep in mind that you will be learning plenty with your new franchising brand, too. Check out any training programs they might host or recommend. Or, once learning a little more about what you'll be doing, you can make an informed decision as to where you need to start focusing your education.

WHAT DO NEW FRANCHISEES NEED MOST?

As a new franchisee, your best skill will be adaptability. You need to be a well-rounded machine. The more you know about all areas of the business, the better off you and your franchise will become. Meanwhile, things can change quickly, so rolling with the punches is one of the best skills to have.



Don't put all of your eggs in one basket but focus on creating yourself to be an adaptable learner who can focus on the task ahead, then find the best way to accomplish it. Even if that means trying something new. The more you take in as a seasoned business owner, the better you can prep your location for success.

In other words, what you need most is a little bit of everything!

Of course, you can (and should) look to experts in key areas. Seek out advice from lawyers, accountants, bankers, marketing professionals, and more. And when it counts, hire them on to do the job.

However, learning in these areas as well can open your eyes to key moves, and when the experts need to be called in in the first place.

Learning new skills is a great way to advance your franchising skills. Set your business up to run better and more efficiently by training yourself in all areas of the franchise – from daily operations, to behind the scenes advancements.



YOUR GUIDE TO THE PROS & CONS OF OWNING A FRANCHISE

Owning and operating a business is a huge milestone that many people work years to achieve. This chapter guides you through the pros and cons of owning a franchise. It's good to have a realistic picture of both the upside and downside to franchising. The following will give you an outline of the process of ownership, the costs of franchising, and a list of questions to ensure that franchising is a great fit for you.

Should You Buy A Franchise? A Guide to What It Takes

Owning and operating a business is a huge milestone that many people work years to achieve. They save every last cent, conduct countless hours of research, and when it's finally time to take the plunge into buying a business, they exert even more time and effort into that endeavor. But all of this effort may be for naught, because half of all new businesses [fail within the first 5 years](#).

More and more, people have been moving away from starting a new business from scratch to instead buying a franchise of an existing business. Franchising has been a common business practice for generations and, currently, [4% of all small businesses are franchises](#).

Many people still aren't clear on the process of owning a franchise. If you've ever considered business ownership and asked yourself, "Should I buy a franchise?" this guide is for you. In it, you'll learn the in's and out's of how to buy a franchise, the pros and cons of franchise ownership, the costs behind buying and opening a franchise, and more. Let's get started.



THE DIFFERENCE BETWEEN FRANCHISING AND OTHER BUSINESS OWNERSHIP

Owning a business, no matter if it's a franchise or another type of company, comes with its own set of peaks and valleys. For instance, if you open a business outright, you have full control over the branding, messaging, product, and direction of the company. You are able to make all of the decisions, which is why owning a business traditionally is the way many people go. But, owning a business opens you up to a lot more negative impacts.

These negative impacts are one of the reasons why people want to buy a franchise. Though there are still cons to owning a franchise, there are many unique benefits that go along with this type of business venture. Some benefits to owning a franchise include:

- **Having the ability to know your business is going to succeed** - With a franchise, you have the backing of a company with an established business model that is prepared for growth and fiscal prosperity.
- **Getting ample support from the parent business at every stage of your franchise** - Because you are under the umbrella of a parent business, they can give you ample amounts of advice, deliver insider tips, and contribute an informed support system to your franchise for the life of your franchise.
- **Being able to open up multiple franchises** - With franchising, you can own as many or as few businesses as you like - there's no cap on the potential you have with the franchises you open. So, if you see that your first franchise is doing well, you can always opt to start the franchise process again.
- **Obtaining brand recognition, building an instance audience** - Opening a franchise, especially a well-known one, will immediately bring business to your doorstep. Even if your franchise is attached to a new or relatively unknown brand if even one person in the area has heard of it, you have a leg up. And, when you couple that with a robust marketing strategy, you'll be in great shape.

Again, franchising comes with its own set of pitfalls that anyone looking into buying a franchise needs to consider. The main negatives of franchising are:

- **The initial payout of buying a franchise** - Franchises cost a lot of money to open. And, when you opt to own a well-known franchise, that often means that you will have to shell out a rather large sum of money very quickly. This amount is often more than what it would cost to start your own business.
- **Having to dish out royalty payments** - You will be contractually required to pay some percentage of the monthly gross earnings back to your parent company throughout the life of your franchise. This, of course, takes money out of your pocket.
- **Having limited to no creative control or flexibility** - Most franchising contracts have very explicit terms and standards that allow for little or no alterations or additions to the brand. This can be stifling if you are looking to open a business to flex your creative muscles.

These cons and more are all things you will need to consider if you are looking into owning a franchise.



THE COSTS THAT GO INTO FRANCHISING

We briefly touched on this in the last section, but franchising costs a lot of money upfront and through the life of the franchise. You will need to have a significant amount of capital to back your investment (in many cases, even more than is required to start your business outright). The most common fees associated with buying a franchise are:

- 01. Franchise Fee** - Generally, the franchise fee is the upfront licensing fee for the right to use the franchise name. This amount typically around \$20,000 to \$50,000.
- 02. Legal and Accounting Fees** - It's always a good idea to consult with a franchise attorney and accountant when going through the franchise process.
- 03. Available Working Capital** - Working capital is the amount of day-by-day cash available to a business. You'll need funds that can help sustain your business from as little as two or three months to as much as two to three years. The franchisor usually denotes how much minimal capital you'll need, but be sure to research your industry for standards.
- 04. Build-Out Costs** - Typically you'll need to spend money on building out the franchise's storefront or restaurant. This will vary based on the condition of the real estate (either empty land or an existing building) as well as the set-up of the franchise. Sometimes, franchisors will have specifications or even building templates that franchisees must use.
- 05. Inventory and Supplies Costs** - Once you've found a location for your franchise, you will need to physically build it and stock it with the inventory you need. This amount varies widely depending on the industry you are working in.
- 06. Travel Expenses for Training** - Even though the franchise fee generally covers the cost of the training courses, you're on your own for travel expenses. These can range from tanks of gas to plane tickets.



THE PROCESS OF BECOMING A FRANCHISE OWNER

After you determine what type of industry and franchise you want to pursue, follow the steps below to see your dream become a reality:

- 01. Research** - Evaluate franchise companies in your area that fit the profile of the type of franchise you're looking for. Weigh those franchises against your own needs. Consider factors like investment amount, local availability, and lifestyle fit before you move to the next step.
- 02. Contact the Franchisor and Submit An Application** - Contact the franchisors you're interested in to have their offices send you preliminary information about the franchise and the steps that are involved in purchasing a unit. If you like what you see, submit an application. Many places will require you to provide proof that your partnership will be a good fit, with some companies having an extensive list of requirements you will need to satisfy.
- 03. Review the Franchise Disclosure Document (FDD)**- The Franchise Disclosure Document (FDD) is a legal document that defines the relationship between the Franchisee and the Franchisor. The FDD helps you understand the franchise's model, fees, and commitments that are required in the Franchise Agreement.
- 04. Create a Business Plan**- At this point, you will need to create a business plan that will lay out your business projections for the coming months and years. Be sure to collaborate with your franchisor and research industry trends to make sure that your numbers are in line with the business.
- 05. Financial and Legal Review** - Do you remember the franchise attorney and accountant we mentioned earlier? This is where they come in. It's important to have them review all financial and legal documents to look out for any jargon that they will understand but you will not. If everything looks good, you will then sign the franchise agreement and pay the initial franchise fee.
- 06. Find and Secure a Location for the Franchise** - Look at franchisor site requirements and seek out a competitive location and submit to the franchisor to get approval. Once they provide the necessary approval, you can then sign the lease and start developing the location. Be sure to know what the process involvement and design specifications are for your franchise before you begin work - some have specific build and design requirements.
- 07. Franchise Training**- As location development is happening, you will be required to attend franchise training to learn the ins and outs of how to run your franchise to the standards as laid out by the business model. For this step, you will typically have to travel to franchise headquarters and training can last anywhere from a few days to a few weeks. Be sure to make the necessary arrangements. **Travel Expenses for Training** - Even though the franchise fee generally covers the cost of the training courses, you're on your own for travel expenses. These can range from tanks of gas to plane tickets.
- 08. Preparing for the Grand Opening** - Once training is over, you'll be able to finish up the final touches of your location development, which includes finishing the build-out, making sure everything is equipped to operate, and hiring and training your staff. At the end of it all, you will be ready to open your doors for the very first time.

SO, IS FRANCHISING THE RIGHT CHOICE FOR YOU?



After reading all of this information about what goes into franchising, have you decided if it's the right thing for your business future? In order to answer this question effectively, we recommend that you ask yourself even more questions. This is the process where you will need to do some soul searching to figure out if this is really the career and lifestyle you'll want. Consider the following questions:

- Is franchising the right type of business ownership for you?
- Do you have the experience that franchisors require?
- Do you have the capital to cover the upfront costs?
- Does your lifestyle match up with that of a franchisor?
- Do you have the flexibility to go to trainings and meetings with a franchisor?
- How much money can I comfortably borrow to invest in a franchise?
- Do I have enough saved that I could live for a year with zero income?

Take your time when you're answering these questions and thoroughly evaluate what you are looking for out of your career and future before you begin to answer them. Be sure to do your due diligence and conduct research into the industry and type of business you want to pursue.

Owning a franchise is a wonderful way to start your journey as a business owner. Though there are many things to consider before undergoing the franchise-buying process, many people find that becoming a franchisee has led to great success. When you're ready to start your own franchise, don't hesitate to visit FranchiseOpportunities.com to learn more.

EVERYTHING YOU NEED TO KNOW ABOUT FRANCHISE FEES



One of the biggest questions we get is around franchise fees. It can vary amongst franchise organizations that it can seem overwhelming. This chapter will help you better understand the world of franchise fees and outline the most common types of fees you will pay as a franchise owner.

WHAT IS AN INITIAL FRANCHISE FEE?

An initial franchise fee refers to the amount of money you pay to the franchisor when you sign your franchise agreement. Fees vary by organization and typically reflect the size and scope of the franchise you're buying. The payment of a flat, one-time initial franchise fee defines your business as a franchise of the parent organization and makes you a member of that franchise's business family.

Requiring a franchise fee is one of three elements your new business must meet to qualify as a franchise. The FTC identifies your business as a franchise if your arrangement with the franchisor meets the following criteria:



As the franchisee, you're granted the right to operate a business and provide goods or services associated with the franchisor's trademark and other proprietary systems.



The franchisor promises to exert a significant degree of control over the way your business operates or provide significant assistance in the way you operate your business.



You're required to make a payment to the franchisor or commit to making a required payment of at least \$500 during the first six months of operation.

In most organizations, the initial franchise fee covers more than the cost of admission. Typically, this payment includes the cost of your application and entitles you to use your franchise's branding and business plan. It can also cover costs related to startup training, marketing, advertising, and any other support you receive from the corporate team to establish your new business.

WHAT ARE ONGOING FRANCHISE FEES?

The type and number of ongoing franchise fees vary for each organization. You pay ongoing franchise fees on a regular basis as long as you remain part of the franchise system. The most common types of ongoing franchise fees include:

Royalty fees

Franchisors typically calculate a royalty fee as a percentage of your gross revenue. Industry averages range between 4% and 9% of gross sales, but franchisors can establish it at any percentage in the franchise agreement.

Some franchise royalty fees aren't variable. Instead, they're set as a fixed amount that you owe no matter how much money you make. Depending on your franchise agreement, you may have to submit this payment on a regular schedule that can be weekly, monthly, or at another predetermined interval.

Regardless of how they're calculated, royalty fees represent the primary source of profits for franchisors. Royalty fees also finance your franchisor's efforts to expand and recruit new franchisees. Depending on the terms of your franchise agreement, your royalty fees may also entitle you to receive:

- Ongoing education and training
- Revisions to operating manuals
- Upgrades to franchise-specific software
- Business consulting
- Administrative support

Advertising fees

Another type of ongoing franchise fees includes advertising and/or marketing fees. Like royalty fees, advertising fees are paid on a regular basis and may be set as a constant amount or an amount that corresponds to your gross sales, though typically at a lower percentage than royalty fees.

Most franchisors combine all advertising fees into one fund that finances national and/or regional promotions for the entire franchise system. When franchisors administer their own advertising funds, they may reimburse themselves for the cost of doing so.

How Do Franchise Fees Affect My Profits?

You can find out how your franchisor's fees affect profits by talking to an existing franchisee in the same organization. Ask the franchisee about their typical monthly revenues and their ability to pay the required fees. Find out whether they're still making a reasonable profit after meeting their obligations to the franchisor. Based on their feedback, consider whether earning this rate of return on your investment is what you're willing to accept as a new franchise owner.

An existing franchisee can also tell you whether the franchise advertising fees deliver a fair return on their investment. One of the advantages of purchasing a franchise is to benefit from being associated with a proven brand. Ask current franchisees whether they think their advertising fees are used to promote the franchise adequately and consider their responses in your financial planning process.



Can I Negotiate My Franchise Fees?



Franchisors typically don't negotiate franchise fees for several reasons. Primarily, the FTC's franchise criteria require that any material change or consideration given to one new franchisee must also be offered to other prospective franchisees. So, if the franchise offers you a discount, the company must provide the same discount to everyone else considering a franchise purchase.

Changing established terms means pausing negotiations with all interested buyers to allow the franchisor to amend and correct the UFOC to reflect the discounted rate. It's a complication that most franchisors won't consider.

When every franchise operates on the same scale, it's easier for the franchisor to collect and manage fees. Uniform franchise fees prevent the corporate staff from having to handle each franchise differently.

Offering financial discounts to new franchisees can also disrupt the community of consistency that contributes to franchise success. Having an equal playing field can make franchisees more willing to support each other for mutual gains across the franchise organization.

What Happens If I Can't Pay My Ongoing Franchise Fees?

When you sign your franchise agreement and pay the initial franchise fee, you're legally bound by the terms of the agreement to pay your ongoing fees according to the amount and schedule specified. Missing payment of an ongoing franchise fee may put you in breach of your franchise agreement and make you subject to legal consequences.

Depending on the conditions outlined in your franchise agreement, your franchisor may have the right to terminate your franchise when you miss payments. Holding back franchise fees for any reason, even if you believe the franchisor isn't fulfilling their obligations, can result in termination of the franchise relationship and additional financial loss.

If you're unable to pay ongoing royalty or advertising fees because of low revenues, you may benefit from legal advice to understand how this can affect your business. Ultimately, your best option may be to contact the franchisor and explain your situation. If your financial problems are temporary, your franchisor may be willing to work with you so you can rebound before resuming these payments, though the franchisor isn't obligated to do so.

You'll receive the details regarding your organization's franchise fees before you sign your franchise agreement. Make sure you understand the dollar values of these fees and the formulas used to calculate them. Ignoring your obligations for franchise fees can damage your relationship with your franchisor and ultimately jeopardize your franchise ownership.



NET WORTH CALCULATOR

Knowing your net worth is a great first step to understanding exactly what you can afford. We will explain exactly what net worth means and give you the tool to calculate yours.

First things first, [follow this link to calculate your net worth.](#)

What does net worth mean?

Net worth, in the simplest sense, is the sum of an entity's assets, minus all liabilities. The entity can be a person, a company, or even a country. If an entity has a positive net worth, it has more assets than liabilities, but if it has negative net worth, it has more liabilities than assets. It's worth noting that an entity's net worth includes current income, property, savings, stocks, etc.

Why is net worth important?

Personal

Net worth can indicate the efficiency of how an individual spends their income. A person who spends less than their income regularly enough to develop savings and does not overuse debt such as credit cards can be viewed as a responsible individual.

In retirement when many people don't have sufficient continuous income, one can draw down from the balance of their net worth to augment their retired lifestyle spending requirements.

Business

Also known as owner's equity, net worth is important because it conveys the remaining value of all the business activity over time.

Lenders compare net worth to liabilities in a business. Money invested in a company can come from owners and it can come from outside investors or lenders. Lenders want to see the ratio between the amount of money invested by owners and money invested by outside lenders. Lenders are more comfortable if an owner has a significant investment in his or her own company.

A lender also wants to know that if the business must be liquidated that there will be enough money left over to repay the loan.

How to calculate your net worth:

Add up all of your assets, then add up all of your liabilities (debts). Subtract the liabilities from the assets and you have calculated your net worth.

How to improve your net worth:

Improving your net worth is a function of increasing your assets and/or decreasing your debts.

- Pay off credit card debt.
- Live more economically and bank the savings.
- Get an extra job to earn more money.
- Contribute to your retirement savings plan, especially if you have an employer that matches your savings contributions.

Consult qualified financial advisors for more information on how to improve your net worth. Track your net worth over time and soon you'll find many different ways to increase it.



FINANCIAL TIPS WHEN BUYING YOUR FRANCHISE



Now that you know your net worth and what you can comfortably afford, let's give you some great financial tips before you buy your franchise. The financial side can be stressful and complex so this chapter will help you navigate this part of the process and give you tools to ensure you know your rights as a franchise owner.

One of the biggest steps in starting your franchise location comes in the form of finances. Sure, there's plenty to plan in logistics – starting your business comes with tasks that will fall under your responsibility. But before you can start the business and open to the public, before you can head into a location and run a company, you have to fund it.

Look to these smart financial tips before purchasing your future franchise brand. Knowing these steps before you buy can help you save, and therefore, help your brand thrive in the long run.

- 01. Ask Questions When Purchasing Your Franchise Business**

Before you get started borrowing funds for your franchise business, ask away. Do not be afraid to ask too many questions; there's no such thing. Your franchising business, as well as your lender, will help you to make the best decision possible. It's their job to help you understand what's ahead. Run through all of the logistics before you take any steps in buying the business. This is common sense. It means no surprises, and a smarter, more thorough plan moving forward.
- 02. Make Friends with Your Case Contact and/or Lender**

You are making a big decision, so don't be afraid to make this person/people your friend. Play nice and get on a first-name basis. Put in calls or emails and discuss your needs as they arise. Again, this is their job and they should be more than happy to address with your requests for your franchise lending. If they don't, you know this isn't the lender for you (or the individual to dole it out), and you can find someone who has your best interests in mind.

If you're dealing with investors or a private lender (such as a family member), this is also true. While you might not be filling out forms at the bank, you still need paperwork that puts all the details on the table. And a person who's willing to discuss them with you. Finally, you also need to maintain a professional relationship with all lenders involved.
- 03. Remain Patient**

Good things take time. Don't rush the process, and instead let them play out like they're supposed to. This is one of the most important steps in buying your franchise business. Actually buying your slot is a necessity, so it's important to make sure all goes through as it should. Sit back and focus on other areas of your franchise location until the funds come through, then move forward as dates allow.
- 04. Run the Numbers When Purchasing Your Franchise Location**

Understand what you're borrowing and how much you're paying. This isn't just a typical loan, the company needs to fund itself and remain profitable. Take into account franchising fees as well. This is more than doable, of course – franchise businesses remain successful every day because they create and repeat successful income models. But it's also smart to understand what you're making and how much of those funds will be due, to who, and by when.
- 05. Know Your Financial Rights as a Franchisee**

Along with understanding what you're paying, you also need to know the ins and outs of the financial contract. Are there penalties for early pay-offs? Can you pay extra? Late? Are there fees involved? While you may not have a plan to do one or any of these, it's good to understand the consequences, just in case. Knowing the limits of your franchise's lending process can allow you to stay within them and not cause yourself extra grief along the way.
- 06. Look for Local Grants and Lending for Small Businesses**

Finally, look at any financial options that are available to small business owners in your area. Many states, counties, etc., host opportunities for franchise owners and new companies in the area. This can include grants that do not have to be paid back, as well as small business loans that offer better interest rates or lesser terms for the loan itself. Talk with locals about what financial opportunities might be available to your incoming franchise location.

Lending is also available at the federal level, such as with the Small Business Association. Don't stop at local entities. Look for state and federal lending options for your franchise business as well.

WHAT TO ASK POTENTIAL FRANCHISE BRANDS



You know you want to own a franchise. You understand all the pros and all the cons to franchise ownership. You know your net worth and how to navigate the financial side of franchising. This chapter will arm you with all the most important questions to ask franchise brands as you're researching them.

What is your income? What are your responsibilities around marketing? How do I hire a great staff? We will help you with all the questions you need to ask before your investment.

As you're starting down the path to franchise ownership, it's normal to have more questions than you feel comfortable asking all at one time. It is, however, worth asking all the questions - the end result is well worth your time.

In the beginning, you simply need to take a deep dive into the information at hand, and to let your questions flow freely. You will have many questions, but asking them sooner rather than later will allow you to feel like a more informed business owner. It can help you eliminate kinks, and simply to roll into success with your next professional steps.

To feel more prepped and to ready yourself for franchise ownership, ask these questions to your potential franchising brand.

- 01. What are My Marketing Requests as a Franchisee?**

As an up and coming franchisee, you'll want to find out what's expected of you in marketing the business. What marketing do they provide? And what do they expect from you? You should also consider their recommendations and what ideas they have for you moving forward. Knowing a list of to-dos, as well as what will be provided, is a great first step in jumpstarting your franchise business and letting the masses know you exist.
- 02. What's Your Expected Income as a Business Owner?**

You can ask this question about how much you'll take home personally, as well as what the business will/can bring in. Be sure not to take these numbers to heart, but it can give you a ballpark range of what your business can do. Use these numbers as a starting point, then let them guide you in growth for months (and years) to come. While you're at it, you'll also need to learn about expenses and overhead, giving you a well-rounding picture of what's ahead.
- 03. What Did you See in Me as a Potential Owner?**

Yes, this is a question you should ask! So many new franchisees get caught up in what they don't know or what they will have to learn. So much so that they overlook the very skills that they have already. Don't be afraid to find out what it is that got you this gig in the first place. It might even provide some much needed confidence in your ability to find success as a franchisee.
- 04. What Skills Will Suit Me Best?**

In the same light, don't be afraid to find out how you can better yourself. What should you learn to best help your franchise grow? In addition to what you already know and can do, ask the experts about what abilities might suit you best. They can help lead you in the right direction as far as what classes you should take, what training events to attend, and more. Take this advice to heart and use it in your favor.
- 05. What Traits Do Your Most Successful Franchisees Hold?**

There might be common ground, and there might be 10 answers that all seem to come from left field. Whatever their answer, however, you can use it to look at yourself and see how you line up against the most successful within the brand. This is a smart way to give yourself a seemingly outside look at what you can offer and how you can fit in with this company ... or if you don't seem to line up at all. Asking for a list of skills, as well as personality traits, can help you get this important answer.
- 06. What's the Biggest Reasons Your Franchisees Fail?**

This is an interesting question because it's in everyone's best interest for you to succeed. If you profit, so does the franchise company. Therefore, they want to help you in every possible way. In learning this process, ask your franchising brand what it is that most often causes franchisees to fail. Getting an outside look at hard stops can help you prevent them early on. It can also give you more motivation to power through, should one arise.
- 07. What's My Best Market Base?**

As an incoming franchisee, it's important to research your own consumers. However, it's likely that the franchising brand has done their own research, so it's in your best interest to find out what that is. Ask what they've found and how much they can share. You should also ask if they will continue to research and share that data, or if the task falls to you once opening the franchise location.

Remember that each brand will have its own best shoppers, while each particular location will have an even more pointed section of customers.
- 08. What are Their Best Tips for Staffing a Franchise?**

Some franchise types of businesses have a bad rap for high employee turnover. Don't get caught up in rumors, however. Find out what you can do in order to find and keep the best workers around. Your franchising brand's advice can help get you far along this path. Ask what other owners are doing, along with any best tips for employee retention.
- 09. What Do You Wish You Knew When You Started?**

Sounds like a cliché, sure, but this is also an incredibly valuable question to ask of your franchising brand. What do they wish they knew? The answer is probably long and ongoing. However, you might find a few pearls of wisdom that you might not have otherwise learned. Sure, their entire franchising program was built with a learning process in mind. But when you have the founding minds there and in person, why not ask what they want to pass on to the masses?

When becoming a franchisee, there is much to learn. Don't be shy about asking questions, especially when you have incredible minds that you can learn from at every corner.

MAXIMIZING REVENUE IN YOUR FRANCHISE



You are on your way to owning a franchise. You've decided which one you want, financed the new business, and built out the infrastructure. Now you're ready to grow. This next chapter will help you maximize revenue quickly with proven steps you can put into action today.

Setting goals for your franchise business and its growth can lead to huge leaps as a business owner. Expansions don't happen on their own, and planning for the income you want to see is the fastest, most effective way to see it happen quickly. Think about it, with a plan you have steps marked out, you have goals in mind that you're striving toward, and you have a uniform setting to which you can note. Without a plan you're simply hoping your franchise will take flight all on its own.

Take the hope out of franchising and instead, look toward real, tangible methods that will allow for business growth going forward. To kick start this campaign, consider these time-honored steps that helped franchisees, new and experienced, get where they wanted to be.

Setting Specific Goals with Your Franchise

First things first, realize that next month is a quick turnaround time. Don't let that intimidate you. That might mean your growth margins won't be huge, but that doesn't mean they aren't attainable. Besides, increasing month after month adds up. Before you know it, your business is achieving huge growth increments, all by dealing with slow, moveable goals.

Start by deciding where you want to be with your franchise. Look a year out, or six months out with your franchise business. It's a good idea to look back at goals regularly – not so regular that you keep changing deadlines before you can snag them, but regular enough so you aren't letting key points slip under the radar. And so you can reevaluate and ensure you're on the right path.



However, setting these larger goals – or rather, over a longer period of time – allows you to backtrack. Step back and divide up growth patterns by the month so you can meet smaller milestones that will add up to your bigger goals.

Do this in whatever medium speaks to you. Create a spreadsheet. Draw up a colorful chart. Write it out and hang it on your wall. Whatever method will help get you excited, use it. Then put said goals in a place that you can be reminded of them frequently.

How to Reach Higher Income Levels in a Short Amount of Time

Here's where we get to the good stuff, right? Making a goal to increase franchise profits is great, but how do you actually achieve the growth?

Find out where your business is being underutilized and allow it to thrive. For instance, could you serve more customers, faster, with another employee in the ranks? Look at your busiest times and determine if folks are leaving because they are frustrated with wait times. Consider updates to busy times, like activities where they can win deals, entertainment (invite a busker to perform!), product demonstrations, and more. Some of these can be done very affordably, so you can experiment to see what helps draw in more business.



Next, look to your social media presence. Post deals, invoke engagement, and just get people excited about coming to your spot! Getting even a few additional customers via social media means an increase in income. It's also free marketing (except for your time).

You can offer a discount for referrals or repeat business. Offer add-ons at a lowered price. Or provide a deal to customers who purchase bulk packages (even if they don't redeem all at once). Each of these tactics encourages customers to buy more. They're getting a great deal and your franchise is reaping the rewards of higher sales. Better still is it costs virtually nothing to implement, just a little time in planning and setup. Many franchise brands will already have these types of options in place ... all you have to do is market them!

Finally, remember that customer experience is key. In the same way that folks are more likely to stick around with entertainment (or even just a distraction), they're more likely to come back when they've been satisfied with how they were treated, wait time, overall service, and more.

Giving a little extra time and attention to detail is one of the best ways to quickly increase your franchise profits. While big increases will be seen later on, short-term raises can also be found. Start slowly to bring in more dollars, to serve more customers, and allow yourself to work out the kinks. Pay attention to numbers, see what drives, them, and you'll realize that small changes for small increases will lead to efficient changes that drive the entire shape of the franchise.

To start increasing your franchise's growth by next month, look to these budget efficient, yet proven ideas.



BUILD YOUR FRANCHISE TEAM

You can't do this alone. You know you'll need a team. The right team can make all the difference in the success of your business. It's important to pick the right people for the right jobs and ensure that they're committed to success. It is equally as important to ensure your staff knows that they are essential to a profitable business. This chapter will help you establish the best team possible.

Who you want on your team is one of the most important questions you'll ask yourself as a franchisee. Whether it's conscious or something you think about at night while lying down for bed, you're building your franchising team. Those who are on your side, those who will help you on daily operations, as well as those who might just tune in and help with your personal chores ... allowing you to work. Each of these tasks are important and should not be overlooked.

So, who do you want on your team?

Having a strong team allows you to grow, to get through each day, and to become successful as a franchisee. After all, you can't do everything on your own. No matter how hard you might try or how thin you might spread yourself (which, by the way, is not a method we recommend), you still need help. It takes the efforts of many to get your work done!

There are your franchise employees – these are the folks you hire to open your store, to help with the services, to sell items, to run the cash register, and more. There are your personal teammates, family members and a spouse who encourage you regularly. These folks help with the kids, they ask how you're doing, they bring you dinner, and they look out for your mental health, especially when the business is at its busiest. You'll also have team members who work on the back-end of the business: they file your taxes or ensure contracts are signed, and so forth.

There's your franchise team that helped get you up and running, the corporate folks who taught you the brand from ground zero. All of these folks and more are on your team. You might have other categories, too, depending on personal or business circumstances.

The question, however, comes with who you want on said team. After all, these are your people. These are the ones you will trust most, who have access to your business, who will help it grow, and who will keep you sane. Obviously, you want only the best helping you through the day.

How to Determine Your Team

There's a large portion of your team who already exist in your life. These are your family members and friends. They are your support, and luckily, you don't have to go out searching for them. You already love and trust these people. No action on your part. (Woohoo!) All you have to do is tell them what's going on with your business and keep them updated as things change. Just as you stay involved in their lives, they'll check in on you, help create regular routines, and more.



Then comes the next tier of folks in your life: those you already know, but who you don't yet work with or alongside. These people likely have a business skill – you likely know them personally or through the grapevine. You'll be taking your relationship to the next level as your franchise grows.

Determine who these people are – who do you know in X industry? How could they help? Reach out to them and schedule a coffee or call talking about what you need and whether or not they can help you achieve it. This is also a time for you to feel them out and determine if they're a good fit. (Meeting with someone does not contractually bind you to their services.) You will obviously feel more comfortable talking with those you know or know of, but you should get to know them as much as possible to create a successful work relationship moving forward.

Next, it's time to find those on your team who you've never met! We know this is scary, but it's a necessary part of hiring others, and it will introduce you to some great people in your life.



Advertise and interview applicants to find the best fit for your brand. You can also ask around to find others who might have contacts for you. You never know who has a teenager who needs a job!

Brush up on interviewing questions before getting started, and have a clear idea of what you're looking for in an employee. You can also list out job requirements and preferences early on so workers know what they're applying to and what they'll be doing in a particular job before they even sign up.

Each of these steps can help ease the burden of responsibility and outsourcing tasks. Meanwhile, you'll feel fully prepared to bring on new workers, which means you'll also feel more confident in hiring others and handing out daily duties. Each of these steps can help you feel better prepared as a franchisee. From leaning on those you already know and trust, to working with acquaintances with their developed skills, to knowing what to ask others during their interview process, you can better prep your franchise with skilled, fully capable employees. All while you're leading the pack toward business growth.





WHY YOU WILL BE A GREAT FRANCHISE OWNER

You've made it this far. You've taken all the steps to be confident in opening your own franchise business. That's huge! But, even with all the work that you've done sometimes a little self-doubt creeps in. That's ok. This last chapter is just a pep talk, reminding you of all the reasons you are going to be a great business owner.

When's the last time you gave yourself a pep talk? Like a real, legit, uplifting, looking in the mirror smiling and head-nodding pep talk? You know, the kind you see in movies, where someone is inevitably caught and embarrassed for their behavior. For being too enthusiastic when someone caught them in the act.

That's the exact kind of pep talk we need to be giving ourselves on the regular! Why? Because as franchisees (or upcoming franchisees) we have so much to offer! We are truly gifted and talented individuals, and it's unfair that other people realize this every day when we ourselves overlook the very basic facts!

So stop avoiding the credit already and remember to perk yourself up on a regular basis. Not only is it necessary and a great confidence boost, it's a way to point out as to why you're a highly qualified business owner. And why you should be giving yourself props every step of the way. With facts on our side, we're more apt to believe it!

Remember you're more than qualified to open your next franchise location, here's why:

01. You Want This

Why else would you be researching business ownership, after all? It's the want, the **need** to start and run your own business location. It's a goal that many have, yet few actually achieve. The pure fact of you wanting to become a franchisee will give you a head start in this growing field. Don't discount your love of the business, it will get you far professionally and allow you the strength to succeed

In another light, franchisees with little drive behind them are far more likely to throw in the towel, especially once something becomes difficult.

02. You Have a Successful Career Behind You

No matter what your professional past might be, it allowed you years of growth and rising through the ranks. Look at your past years as an employee and look to how that career advanced you as a person and a professional. Skills are transferrable, but so is your ability to find and maintain insight from career changes. Meanwhile, you learned company hierarchy, brand loyalty, and more – use these past experiences as a new business owner and you'll hit the ground running from day one.

03. You Have the Help of Your Franchising Brand

You don't have to approach any part of your business alone. You'll have your franchising brand with you the entire time. Lean on them for their expertise, their knowhow, and their insight to the brand itself. Who better than to show you how to run the brand than those who have been working with it for years? It's a no brainer! Remember your franchising industry is there beside you through it all and will help coach, no matter what might come your way.

04. You Have Specialized Skills

Your professional background and personal skills will get you far in life. As a franchisee, they'll get you even further. You can put all of your best abilities to work in a way that allows you to create success. No waiting on a boss to determine how you can grow or where your best efforts will be – you know what you can do and how you can best succeed, all you have to do is put yourself to work!

Get those abilities to cracking and your business will benefit in the process.

05. Your Location Has a Market for Your Brand

This is one of the key factors franchising brands look for before opening a business: is there a market? If not, the location simply won't be eligible for franchisees. Therefore, just by being available for your brand, you know there is a thriving market for your franchise location. Take comfort in this fact and know the business is there. All you have to do is run a tight ship and give folks a reason to return and you can find their business over and over again.

06. You're Ready to be a Leader

This is a key sign of a franchisee. Wanting to be a leader is certainly a personality trait, and those who want to take on new business ventures have this trait embedded within them. They want to help workers learn and grow. They want to teach new skills, to allow all involved to work as a team toward a common goal, and to create an ideal outcome. By leading successfully, yourself and employees can strive for a higher professional quality that improves by the week.

07. Success is Fulfilling ... and Contagious

It's true. Once you get your first glimpse of glory, you'll want more and more. It's a feeling that allows you to be proud of a job well done. Your job growth will stack over time, and the more often you find success, the more frequently you can build upon that same momentum and push your franchise location to even higher heights.

Trust us, once you catch that first bite of fulfillment, it'll keep driving you forward!

08. Nothing is Holding you Back

Seriously – with a franchising company that's on your side, a growing support system, and personal goals that are on the rise, what could be standing in your way? Nothing! Besides, if any obstacles do arise, you're able to cut them down with ease. Your newfound skills and professional momentum will keep you going, effectively eliminating anything that might slow or hinder your franchising progress.

09. The Sky is the Limit

Have you considered where you want your franchise to be? Growth is essentially unlimited. In fact, you can open more locations and grow them to be just as big. As a business owner, there is no limit to how much you can earn, how many locations you can start (or sell), and therefore, you can keep on moving up in the business world. Set your own goals and keep reaching them every single year!

As a franchisee, you have much to look forward to. Don't overlook your key qualifications in the process, and instead remember that you can readily find success with your growing brand.



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