

THE FRANTREPRENEUR MENTOR FRANCHISE BUSINESS JOURNAL

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Using a Franchise Consultant *Optimize Your Chances for Business Success*

Life is full of choices. Easy vs. hard. Simple vs. complicated. Free vs. expensive. With options like these, the choices would seem quite evident, and while life seldom involves such clear cut choices, choosing a franchise business is – or should be – a bit easier. To illustrate, here’s a real life story of an entrepreneur who made many wrong choices...



“I was long overdue to leave corporate America and began the process of researching business opportunities. I surfed the internet and contacted about twelve franchises, requesting information from each. I didn’t hear back from about half of them and wrote them off because they were obviously unresponsive. I continued talking with the others, doing my own research, making all the calls and handling the communications myself. It took a long time –about 6 months --but eventually I settled on a franchise I felt suited my skills and interests. I believe I made the right choice. It was pretty time-consuming – I figure about 300 hours total – but less expensive than using a franchise consultant.”

What’s wrong with this picture? Well, let’s start with false assumptions.

First, this person assumed that the franchises he didn’t hear back from were unresponsive and thus not good to do business with. More likely, those companies were *very* good to do business with and thus inundated with more requests than they could possibly handle. And he might have been a good candidate, but he was unable to raise the visibility of his interest from the rest of the masses.

Secondly, he also assumed that enlisting the help of a franchise consultant would be too expensive. In reality, such assistance is (or should be) available at no cost at all. Let’s start by taking a closer look at these two factors to investigate the value of franchise consultants.



THE PRIMARY VALUE

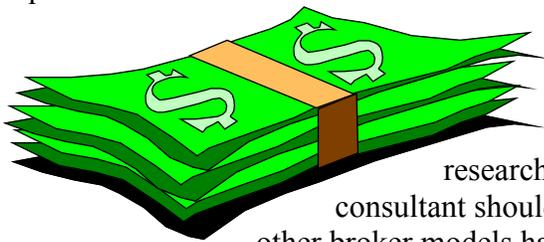
Estimates on available franchises vary, but there are literally thousands, and new ones enter the market every day. Entrepreneurs are faced with a dizzying array of opportunities – even if they have a pretty good idea of what kind of business they are interested in. Likewise, the confusion for

THE FRANTREPRENEUR MENTOR FRANCHISE BUSINESS JOURNAL

VOLUME 108

the franchises themselves is also high. Popular ones receive hundreds or more requests for information every week – far too many to process. They don't *want* to be unresponsive, but they are ill-prepared to field every request. Understandably, many franchises have out-sourced the pre-qualification process to consultants to ensure they are working only with the best-qualified and most interested candidates.

Thus, one of the most valuable services a franchise consultant provides is to raise your visibility and credibility. A franchise consultant understands what types of candidates franchises are looking for and is duty-bound to provide the best ones. Allowing a consultant to introduce you to franchises ensures that the franchises view you as pre-qualified. In essence, you are moved to the front of the queue.



And what about the cost misconception? Bottom line: franchise consultants are paid by the companies they represent. Thus, there is never a cost for their consulting, research and recommendations. As well, using a franchise consultant should *never* increase the cost of investing in a franchise. While other broker models have a built-in cost – such as with real estate, mortgages and traditional business brokers – using a franchise consultant is truly a zero-cost option. You will pay the same as if you did all the research and handled all the communications yourself.

ADDITIONAL BENEFITS

So you have increased credibility at no cost, but it doesn't end there. Here are some of the other services you can and should expect from a franchise consultant. He or she should:

- ◆ Take the time to understand your background, skills, interests and objectives
- ◆ Understand your financial limits and risk tolerance
- ◆ Help you define your qualifications so that you don't waste your time and energy on opportunities that are not right for you or for which you are not qualified
- ◆ Offer a wide variety of franchises to provide you the most options
- ◆ Take an unbiased approach to helping you achieve your goals, never trying to “fit a square peg in a round hole”
- ◆ Be able to provide valuable insight on franchises that you might have not found on your own
- ◆ Significantly reduce your time, trouble and frustration
- ◆ Help present your qualifications to franchises (through a single process vs. a separate one for each) and stay involved to assist in the dialogues
- ◆ Guide you on proper ways to conduct due diligence on any franchise opportunity that you consider



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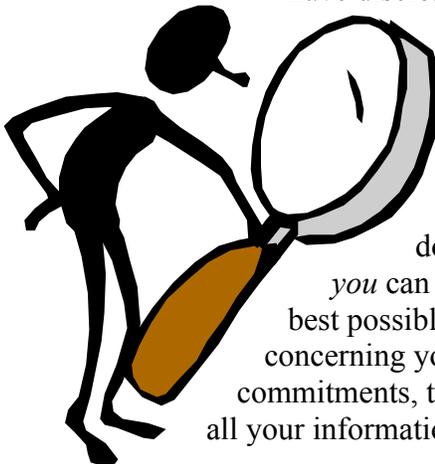
- ◆ Be able to refer you to other professionals you may need at certain points in the process, such as a franchise attorneys, CPAs, lenders, commercial realtors and financial planners.

WHAT YOU CAN DO

As with any resource, being an educated consumer will ensure that you get optimal benefits from using a franchise consultant. Thus, it's important to understand that the consultant actually serves 2 masters: you and the franchise – and he can only be successful if he does a good job for both. Here's how you can optimize the value:

◆ DISCLOSE

The consultant's commitment to *you* is to present top-notch franchises that match your needs and have 1) successful track records 2) excellent training and support 3) an opportunity for equity growth, and other important characteristics. This is possible because the franchises he represents have disclosed significant details about their opportunities, and the consultant has the best and most up-to-date details.



His commitment to the *franchise(s)* is to present only the best, most qualified and interested franchisee candidates. These companies have disclosed a significant amount of information because they know that, by doing so, it enables the consultant to do the best possible job for them. Likewise, the more information *you* can provide the consultant, the better the chances that he will do the best possible job to represent you as well. This should include all details concerning your current business, employment, financial status, family commitments, time constraints and other factors. The franchise consultant will treat all your information with the strictest confidence and will only provide it to franchises in which *you* have expressed an interest.

◆ SHARE THE OBJECTIVE

Also understand that while the consultant should be very knowledgeable on each franchise in his portfolio, he cannot (due to sheer volume) be an expert on any one company. His objective is to eventually *put you in touch with franchises* in which you are interested. Don't begin the process unless this is also your objective. Be ready to turn what (for you) may have been a life-long dream into a short-term reality. Speaking directly with the franchises is indeed the very best way to get all your questions answered and should enable you – through a short conversation – to validate or discount each opportunity.



THE FRANTREPRENEUR MENTOR FRANCHISE BUSINESS JOURNAL

VOLUME 108

◆ KEEP AN OPEN MIND

One of the most valuable services a franchise consultant can provide is to make you aware of opportunities you may never have thought of or found on your own. The consultant should provide one or more concepts that meet your original goals, but he may also present horizon-expanding opportunities that offer both significant success through new and exciting avenues. Thus, even if you begin with a very specific concept, keep an open mind.

◆ REMEMBER WHAT THE “C” STANDS FOR

The “C” stands for consultant, not counselor. A franchise consultant can do many things for you, but convincing you that running your own business is the right thing to do is not one of them. He can and should help you understand that franchising offers the greatest chance for your success through the least amount of risk (based on actual statistics), but only you alone can determine if the time is right. He can't and shouldn't try to convince you of that or accelerate the process beyond your comfort level. Decide that you are ready to own a business – even if you have no idea what that business should be – and then contact a consultant.

In conclusion, if you are truly serious about owning your own business – or expanding your current business portfolio – there is really no reason *not* to use a franchise consultant. Proceed with confidence that the consultant will do everything possible to meet your objectives – with complete confidentiality – all at no cost to you.

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The Frantreprenuer Mentor helps folks just like yourself, to quickly find and match you with the ideal franchise; one that fits who you are, will work well in your area, you'll enjoy operating and have the opportunity to be highly successful at. Some clients call us a "Franchise Match-Maker". In addition, as a franchise consultant and advisor, I mentor, coach and support you throughout the entire franchise process with regular coaching, communication, mentoring and advice.

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