

DO I NEED A FRANCHISE CONSULTANT'S HELP FOR FINDING A FRANCHISE?

Franchise consultants make it easier to navigate the thousands of franchised concepts and hundreds of franchise portals available on the market.

Why use a consultant?

While using a franchise consultant is a growing trend in amongst prospective franchisees, many individuals do not take advantage of these services; in fact, most people are simply unaware the service is even available. Among those who do, some may feel they've already decided what concept is best suited for them. However, one of the primary advantages of a franchise consultant is his or her ability to direct you to franchises you might never have considered.

Many consultants have franchise industry experience or are former franchisees themselves. They have been down the road before and can offer insightful advice to help you avoid making the same mistakes they may have previously made as a business owner.

A common mistake made by franchise seekers is to focus on the product or service of the franchise instead of the business model and its characteristics. For example, you might think your neighbourhood would be well served by a deli serving great panini sandwiches. While that may be true, the demand for these products won't matter if the start up investment is beyond your reach or you are not comfortable working the long hours often demanded of a food-service franchisee. Simply put, your personal shopping preferences and tastes don't always guide you to the right franchise system to join.

Personal likes and dislikes can also be misleading. For example, just because you like kids, it doesn't mean a child-care franchise is the right choice for you. A good franchise consultant will look not only for the best or most lucrative opportunity available, but the one that best suits you and your experience.

The first steps

When you first contact a franchise consultant, see if you are able to forge some type of connection with the person and determine if you want to develop a professional relationship with him or her. Do you think you can benefit from their insight and advice? Will you benefit from their strengths and experience in franchising?

Also consider that there is a huge amount of information and franchise options that you'll need to review. Having a consultant working with you during this stage can save you time, money, and aggravation.

Beginning the franchise search

As you start working with the franchise consultant, the first step is to provide information about your background and experience. This is often done via an online questionnaire. Don't be surprised by financial questions, which will typically inquire about the value of your house, balance on your mortgage and other confidential data. The franchise consultant needs to have an

understanding of your finances to make sure you are only introduced to franchises you can afford.

Next comes the consultation, which is the most important part of the information-gathering phase. An in-depth discussion will allow you and the consultant explore your areas of interest and past work experience. If you have a spouse, encourage them to participate in this meeting, which can be held over the phone or face-to-face. This is a chance for them to learn more about your goals, and an opportunity for you to learn more about franchising and whether or not you have realistic expectations.

After the meeting, the franchise consultant will evaluate the information you've provided and research franchise opportunities that best fit your goals and skill set. After checking for market availability, the consultant will typically introduce you to franchise concepts that make sense for you to consider. While it may be tempting to zero in on a particular franchise, it is important to investigate more than one. This approach will allow you to perform a compare-contrast analysis to find your best franchise match.

Narrowing your options

Your consultant will then coach you through the due diligence phase of the investigation, which typically takes three to four weeks, if not longer. By introducing you only to quality opportunities that match your lifestyle and goals, a consultant can save you a great deal of time. Investigating franchises takes a lot of effort; many franchise seekers run out of steam when the demands of life start to take priority over the due diligence required to make an informed decision. Using a consultant increases the likelihood you will stay focused and ultimately decide on the best opportunity.

During the due diligence phase, most of your contact will be with the franchisor's development representatives, whose purpose is to educate you about the details of their franchise opportunity to determine if there is a mutual interest. (Remember, this has to be a good fit for the franchisor, too.) During this period, your consultant will continue to serve as an advisor and coach, making sure you are learning about the concepts and making decisions that will ultimately lead you to the franchise that is the best match for you.

Once you have narrowed your search and completed your investigation it's decision time. To many first time franchise owners this may be similar to jumping off the high dive for the first time. Your franchise consultant that has been with you through the process will provide encouragement so you can make that life-changing decision.

Tips on Working with Franchise Consultants

Your franchise consultant is your advisor and coach, not your boss. You should never feel pressured by this person.

A relationship with a consultant is a two-way street. Be professional by returning calls and living up to your commitments. You will get the most out of your experience by making a serious effort.

Approach your franchise search with an open mind. Sometimes, the true value of consultants is their ability to introduce you to a remarkable franchise you never would have found on your own.

Be honest and share as much relevant information as you can with your consultant, particularly about what you are hearing from franchisees within the chosen systems.

It's your decision. The consultant will offer advice, but you are ultimately making the life-changing decision to buy a business.

Include your family members. Even if you plan to invest in a franchise alone, it is advisable to involve a spouse, sibling or other trusted relative or friend. After all, they know you best and can help you make your final decision.