



Guide to:
Franchisee expectations.

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We can help

As experienced franchise manual writers and trainers, our franchise manuals and training programmes account for the changing expectations of franchisees, so drive better performance and relationships in your franchise. Get in touch for our help.

We offer a free initial consultation in which we’ll examine your situation and give you good advice with no cost and no strings. We’d rather start a rewarding relationship with you instead of boring you by just trying to sell our services!

And, when you’re ready, we can create franchise manuals, documents and training for you in simple and affordable ways.

Get in touch anytime at www.manualwriters.co.uk



Why try to understand franchisee emotions and dependence?

To successfully market your franchise, sell more franchises (recruit more franchisees) and develop a franchise network that performs, you need to know what prospects and franchisees **expect**.

In other words, you need to “put yourself in franchisees’ shoes”.

Here, we’ll consider **expectations** throughout the ‘journey’ of a typical franchisee. I.e. the stages they go through choosing to become a franchisee, joining and operating a franchise, realising a return and (ultimately) moving on.

These are:

1. Deciding to start a business.
2. Exploring franchising as an option.
3. Applying to franchises.
4. Choosing a franchise and joining it.
5. Setting up their first franchise unit.
6. Initial training and launch.
7. Starting off as a ‘new hand’ needing more support.
8. Operating the franchise.
9. Becoming an ‘old hand’ who needs less support.
10. Considering expanding their business.
11. Cashing in (selling up)
12. Moving on.

If you learn what franchisees expect in each of these stages – and design your franchise to meet or manage those expectations (as appropriate), your franchise will be more successful.

Franchisee Expectations in each Stage:

1. Deciding to start a business.

People thinking about starting their own business **for the first time** tend to fall into two opposing camps – those who expect a relatively easy path to ‘*no boss nirvana*’ and those who worry it might all be too hard. (For most, a more realistic middle view only comes **after** starting in business).

You can influence these people in the following ways:

- Think of the sort of people who are more likely to consider starting their own business in your sector. (E.g. if your franchise were for mobile coffee vans you might target baristas working in high street chains; if you were a recruitment franchise you might target recruitment consultants 25-35; etc.).
- Approach those people directly (i.e. both to sow a seed of interest in starting their own business and to promote your franchise as the best way to do it).
- Manage the expectations of those who think starting a business is easy – by pointing out the brain ache, costly trial and error, pitfalls and bureaucracy that your proven franchise can save them from.
- Assuage the worries of those who think it’s too difficult – by detailing how you make things easier and ‘safer’ because your franchise offers a proven concept, proven methodology, proven systems, excellent support and training and a helping hand at every step.



2. Exploring franchising as an option.

You are likely to attract more applicants to your franchise if you understand what they expect from modern franchise marketing.

Expectations are:

- **THEY CAN FIND THE INFORMATION NEEDED TO CHOOSE A FRANCHISE ONLINE *WITHOUT ANY OTHER INTERACTION WITH FRANCHISORS*.** These days, the best prospects (those that do proper research) expect to be able to choose a franchise online before applying – in the same way they'd now choose a car online and only visit the showroom for a test-drive. They will simply ignore your offering if you hold back.
- **You have a good website with BOTH a business/customer-facing section AND a franchise promotion section** (or two separate sites). Prospects want to learn about your franchise offering but they ALSO want to see your business from a customer's perspective and to measure the quality of your general marketing (and position on Google).
- **Your franchise promotion is as good, as dynamic and as interactive as your customer-facing marketing** – i.e. that your franchise is just as important to you and not a side-line.
- **Your promotional information is measured, professional and realistic** – i.e. prospects are more sophisticated than ever and are far more likely to be interested in franchises that make sensible conservative claims than those with a 'slick sales-spiel' that promises the Earth.
- **Your promotional materials include real case-studies, testimonial and reviews.**
- **They will see your advert in all the top franchising portals.** (If your franchise is not present, they'll assume you aren't as successful as competitors that are).
- **Getting in touch with you is easy** – i.e. they can just call or email without filling in a lengthy form.

3. Applying to franchises.

You would be surprised how many franchisors bodge this bit, completely fail to live up to franchisee expectations and don't follow up or deal with applications properly. **Unbelievably, in some surveys, up to a third of franchisors don't even acknowledge initial enquiries.**

This may be because an old-fashioned attitude to franchisee recruitment is to assume that *"if applicants are really interested and right for my franchise then they'll do the leg work, we don't need to chase them"*.

This attitude is wrong because most prospects now apply to several franchises at once within a 'basket' of opportunities on franchise portals. If you don't look after those who apply to you – they will simply choose another franchise that does.

Applicants expect and deserve to get courtesy, good service, empathy and respect from the franchises they apply to (even if you're not interested in them). Many of them will be considering leaving a good career and putting their lifesavings on the line to join a franchise.

Expectations are:

- Application is easy and accessible.
- Application is open to all.
- Their enquiries will be answered within 24 hours.
- If a franchisor isn't interested (or isn't recruiting now) they still have the courtesy to acknowledge the enquiry and inform the applicant.
- If applicants receive a printed prospectus, it's a good one.
- Franchisors actively follow up enquiries.
- A contact person is reachable.
- Franchisors keep records and continue previous dialogue.
- There is an option to attend a 'discovery day' amongst other prospects – if they prefer that to a one-to-one meeting.
- Information before meetings is good.
- Meetings are more like a 'two-way interview' than a one-sided sales presentation.
- Meetings are unpressured.
- The franchisor listens and takes an interest in the applicant's situation, needs and goals.
- Meetings are clear and follow an agenda.
- Next steps are clear.



4. Choosing a franchise and joining it.

Prospects are more sophisticated than ever before.

They are better informed (by the internet) about what to check when joining a franchise; they can easily access accountants and solicitors to review numbers, documentation and agreements; and (if you exaggerate anything) it's simple for them to get legal counsel to pursue you for misrepresentation.

So, they expect:

- Good access to existing franchisees to discuss their true experience and success with your franchise.
- You provide good information and access to trading accounts and records.
- The information presented is true, conservative, reasonable and proven.
- The due-diligence process is good and works both ways.
- You carefully select franchisees (testing their suitability and means) and don't just take anyone who'll pay the joining fee.
- They get guidance and assistance with funding through high-street banks.
- They get guidance and assistance choosing a territory, location and premises.
- The franchise agreement is current, specific (not generic) and supported by a good solicitor.
- They can review accounts and the agreement with professionals.
- No pressure is placed on them at any stage in the process.
- The franchisor remains enthusiastic, supportive and involved.
- Next steps are scheduled and clear.
- Signing up is celebrated.

5. Setting up their first franchise unit.

There's a certain amount of euphoria that enters franchisees at the time they sign up to a franchise, as their dream of starting their own business becomes real. This can quickly turn into worry and dissatisfaction if they aren't properly supported through the difficulties of setting up the business, recruiting initial staff (if any) and launch.

Some franchises are particularly good at supporting the setup of new franchisees and promote that widely on the internet (because it makes their franchise more attractive). Applicants to your franchise will see the support offered by others and expect the same from you.

Franchisees expect (and deserve) the following during setup:

In all types of franchise:

- A clear and comprehensive setup manual.
- A clear setup and project management process and support.
- A clear budget plan and costing for setup.
- Economies making setup cheaper/better than going it alone.
- Deals with vehicle and or equipment suppliers and leasing options.
- Help dealing with contractors and suppliers.
- Regular contact and visits from the franchisor.
- Good access for advice during setup.
- Assistance getting initial stock (or a turnkey package of initial stock).
- A process and support to recruit and vet initial staff (if any).
- A good training package for the franchisee and their initial staff.
- Franchisor staff present in the first days/weeks trading to mentor the franchisee.
- A launch marketing programme.

In premises-based franchises:

- A clear process & guidance to find and select premises.
- Franchisor visits and 'signs off' premises.
- Guidance or assistance with lease terms and negotiation.
- Some elements of setup are turnkey (if not completely organised by the franchisor for a fee).
- Franchisor provides a designer/architect (at a fee) or clear design guides.
- Franchisor provides contractors or helps with selection & negotiation.
- Franchisor supports the franchisee in project management.
- Regular visits from franchisor throughout set up.
- Franchisor provides equipment in a reasonably priced package or nominates suppliers with excellent service and good deals.
- Franchisor signs off final setup and helps ensure good 'snagging'.

In home or van-based franchises:

- Office equipment and supplies provided turnkey.
- Van, tools and initial stock provided turnkey.



It is in your interest to support franchisees during set up. Franchisees that get off to a better start will be more successful, so you will get earlier returns from the ongoing fees you charge them and the products you sell to them.

And offering excellent setup support won't leave you out of pocket if you've included reasonable fees for turnkey elements, project management, training and launch (etc.) in the franchise-joining package(s) you charge franchisees.

6. Going through initial training and launch.

Expectations here have changed over the years because franchises are providing increasing amounts of training and launch assistance in their joining packages in order to better guarantee the success of franchisees (and so mutual reward) and to stand out from competing franchises.

Again, the stronger launch of better trained franchisees means earlier returns for the franchisor – so enhanced training and launch marketing (properly priced in joining packages) makes sense.

Learning and launching a completely new business over the course of just a few short weeks is a daunting experience for most franchisees. Whilst you are trying to teach them your operation, they may also be balancing finances, project managing the set up of their new unit, trying to recruit staff and more at the same time. Just a few days of upfront training simply isn't enough – franchisees will forget most of it before they start trading, under all that pressure.

So, franchisees should reasonably expect:

- At least 3 weeks training (some franchises offer 16 weeks+) – timed to take place near to launch and during early trading (not months before).
- Whilst there are some elements of 'classroom' training, most is 'hands-on'.
- Where appropriate – some elements of training are provided by professionals (e.g. accountants, suppliers, professional franchisee trainers [like us] etc.).
- Earnings lost whilst on initial training are minimised – by delivering as much training as is possible 'on-the-job' in their own unit (so they can develop income at the same time).
- The franchisor will send qualified staff from head office to drive, support and mentor the franchisee and their staff in the first period of trading. This should be for at least a week – but the best franchises send staff in for the first 3 weeks or more.
- There is a formal business-coaching programme offering enhanced support and mentoring in the first six months.
- The launch marketing programme is comprehensive and turnkey (being properly accounted for in the cost of the joining package) – i.e. the franchisee doesn't get distracted from initial training and setup because the franchisor handles launch marketing, which may include local leafleting; a launch event; communication with the media; launch promotions, etc.

Don't skimp on training – include a good budget for it in your franchise package. Just because you can teach someone how to lay bricks in a week doesn't mean you'd trust them to build you a house – in the same way, just giving a franchisee a few days training isn't enough for them to develop a business that will meet your standards and perform.



7. Starting off as a 'new hand' needing more support.

Naturally enough, franchisees tend to be more dependent on their franchisor in the first 6-9 months of trading, before they start to develop turnover and positive cashflow. Relationships between franchisees and their franchisor are often made or broken in this period.

Distraught at seeing their life savings diminish until their business breaks even, franchisees are (rightly) hypersensitive to how much support they're getting for their money at this time.

They will 'hang in there' if you give them good support and a positive path in the right direction – but can give up (even on the cusp of success) if they feel neglected.

They should expect:

- Access to support during **trading** hours (whatever they are) and not just during office hours - and 24/7 access to support/advice in an emergency.
- One main support person and point of contact for them to build a relationship with.
- At least one support phone call per week that is positive, engaged, empathetic and genuinely supportive.
- A clear path of development that is supported by the franchisor.
- A clear schedule of regular visits (at least twice a month at the start) from franchise support staff following a positive and defined agenda of mentoring/actions to help the franchisee get on their feet (not just wishy-washy social calls over coffee!).
- A business-coaching programme using GOSPA to review performance and drive actions EVERY WEEK for the first six months of trading.
- An ongoing training schedule that allows them to top up on initial training, induct new staff and enhance the skills of existing staff.
- A clear programme of early ongoing marketing and promotion.
- (And more, including everything mentioned in the next stage).

Whatever you do, keep regular positive contact with franchisees (even if there's nothing new to report).

CASE STUDY:

We had a client in the Middle East who was (amongst other successful businesses) master franchisee operating many successful branches under a well-known American retail franchise. They abandoned the franchise because they were frustrated (and offended) by a lack of contact from the franchisor. It took ten years for the American retailer to regain the same ground in that market.

8. Operating the franchise.

It's easy to assume franchisees need or want less support once their business is established and starting to turn a profit.

You do need to strike a balance between positive support and leaving franchisees to get on with it at this stage. But franchisees still want (and need) positive regular contact and to feel you're giving them value for the ongoing fees they're paying.

Franchisees at this stage will value and expect:

- **A good personal relationship with a dedicated franchise support manager**, who they start to see on equal terms.
- **A positive phone call every week.**
- **A continuing schedule of support visits (now once a month)** – again with a positive forward-moving agenda and not just social calls.
- **A defined business development agenda** – i.e. now their business is off the ground, they want support to take it to the next level.
- **Product and service development** – affording them new income streams and opportunities.
- **Marketing and sales development** – providing additional business, new channels etc.
- **Supplier development** – for better supplies, new products and better deals.
- **Continual improvement of procedures, manuals and resources.**
- **Good surveys and research** for useful feedback from the market, customers and staff.
- **Formal inspections/audits (at least annually)** – to measure their own business, staff performance and standards and to ensure no other franchisee can undermine the brand by falling below par.
- **Benchmarking** – to help manage efficiencies against norms in the network.
- **Support with annual business planning and forecasting.**
- **Recognition and rewards** for higher standards and performance.
- **Continuing provision of ongoing and top-up training.**
- (And more)



9. Becoming an 'old hand' who needs less support.

There comes an inevitable point in the 'journey' of all franchisees where, left unchecked, they believe they now 'know it all' so see diminishing value in paying for support from the franchisor.

At this point they might expect they're entitled to negotiate lower ongoing fees or to get other benefits from you that other less-established franchisees don't.

It's better to stand your ground and maintain the same terms for everyone because a) if your fees were set correctly in the first place they will remain fair; b) it is right that you start to see increasing returns at the same time they do (as good franchises are built on mutual reward); and c) it will make life much simpler for everyone.

Manage this by:

- Recognising the success of these franchisees.
- Continuing to support them just as well as you support less-developed franchisees.
- Reinforcing business development programmes to take them to the next level, which may include them opening additional branches/units.
- Demonstrating the value they're getting from the ongoing fees they pay, by the continual improvement of your business, model, systems, resources, offering, suppliers and economies, etc.
- Explaining (in a positive way) that these franchisees are successful not only through their own hard work but because they followed your model and benefitted from your support. The continual development of that model and provision of that support is only possible because you receive a fair return from established franchisees whilst nurturing newer ones.

10. Considering the expansion of their business.

Franchisees may plateau because they feel they can't expand their businesses any further.

If this happens, either their business will stagnate or they will seek to dispose of it.

It is bad for your franchise if a franchisee stagnates. Without opportunities for further development and careful management, a stagnating franchisee will start to put less effort into their business. Standards and performance may then fall, with damaging consequences for your brand.

Franchisees expect you to anticipate when they're nearing a plateau and to step in with options and support for them to grow further and to take on new challenges. These might include helping the franchisee to explore new markets and customer bases; open new units; expand into additional territories; aid your office with new initiatives; train other franchisees in their unit; or to get involved with other brands in your portfolio, etc.

11. Cashing in (selling up)

It is in everyone's interest that franchisees eventually want to sell their businesses (to a new franchisee) – if they've stuck with it long enough and built a business of some value.

Resales prevent stagnation in your franchise: Buyers pay a premium for an established unit, so they must drive it further than the outgoing franchisee in order to get a return on their investment.

Franchisees should expect:

- Your franchise agreement allows resales.
- Terms for the vetting and sign-up of buyers are reasonable.
- Any fees or commissions you charge on resales are fair.
- There is a defined programme to support franchisees wishing to sell their business.
- This includes helping them to prepare; helping them to develop saleability and value in the run-up; and provides for a smooth handover with the least interruption.
- You provide support (probably through third parties) to help them value and advertise their business for sale.
- You will promote the resale of their business in your usual recruitment activities.
- Franchisees wishing to sell will receive respect, empathy and support.

12. Moving on.

Franchisees are more likely to recommend you to others and to work with you on other projects in the future if they are treated well when leaving your franchise. Perhaps counterintuitively, this remains true even if the franchise didn't work out for them (through no fault of yours) and they leave without realising a return.

Support leavers by:

- Treating them fairly with respect, empathy and support.
- Understanding their reasons for moving on and suggesting alternatives.
- Counselling them on what they plan to do next and their options.
- Helping them leave in the best way with the least disruption to your franchise.
- Offering your support (to whatever degree is reasonable) in what they plan to do next.

Taking this time with departing franchisees makes good business sense. Not only will you maintain amicable relationships with leavers, you will also learn how to continually improve your business to reduce franchisee churn and can prevent misunderstandings that might lead to litigation years later.

If you understand what franchisees expect, manage those expectations and deliver support that accounts for them, your franchise will be more successful.

We can develop your franchise, manuals and training for you with franchisee expectations in mind. Our manuals and training ensure high standards and performance and excellent relationships in your franchise. [Get in touch for a chat or a free initial consultation to see how we can help you.](#)



Get in Touch/ Ways We Can Help

Get in touch at www.manualwriters.co.uk/contact-us for advice and help with franchising, manuals and training or see our other [Franchising Guides](#). **Explore our website for more:**

Operations Manuals

Because our manuals explain every task in your operation step by step and are written bespoke - we can use the 'language' of your brand to create manuals that are easy to follow and that your Team actually use. And we manage the whole process and write everything for you.

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To remain successful, your business must adapt for Brexit (even if you don't trade in Europe). Let us develop the new procedures and manuals you need to stay ahead, leaving your team free to concentrate on your success post-Brexit.

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Existing manuals become less useful (even dangerous) without regular review - as they won't detail changes to procedures and may contain/omit policies contrary to law. We review manuals, manage changes, write updates and help introduce new versions to your Team or franchisees.

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Consultancy

We have served clients in all sectors at all stages of development and have the experience to advise you on performance and improvement, Standard Operating Procedures (SOPs), best practices, growth, organisational structures, change management and more.

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Franchise Manuals

With over 20 years' experience serving franchises in all sectors, our franchise manuals reinforce relationships with franchisees, protect your brand and provide clear step-by-step guides for franchisee (and head office) operations to a high standard.

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Good training is imperative to support your manuals. We create engaging programmes that your Team will enjoy and your business (or franchise) will profit from - and can deliver them too.

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Because we have many years' experience developing operations manuals and writing up clear step by step procedures - we can also create detailed user manuals and instruction books for you that your customers will find easy to follow.

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[Online guides and templates \(NEW\)>>](#)