

for the Growing Business

Could your business be franchise? Leveraging the ultimate growth strategy

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Jeremy Hodess

Jeremy helps individuals who want to buy or start a business. He makes customized franchise recommendations based on an individual's skills, goals and market. He also manages the franchise discovery process to ensure customers are fully informed and feel confident with their decisions. Jeremy partners with the highest quality franchise systems to fulfill his mission to put entrepreneurs on a pathway to empowerment, personal satisfaction and financial success.



Today's Agenda

- What is a Franchise?
- Does franchising make sense for you?
- Is your business franchise-able?
- Franchise Alternatives
- Development Strategies
- Selling Franchises
- Your Questions



What is a franchise?

What makes a business a franchise?

- The use of a common name or trademark
- The presence of "significant operating control" or "significant operating assistance"
- A required payment of more than \$500 in the first six months of operations



Does franchising make sense for you?

Advantages

- Capital conservation
- Motivated Operators with "skin in the game"
- Accelerated Expansion
- Leaner operation



Does franchising make sense for you?

Disadvantages

- Lower profits from operations
- Less control of operations
- Costs to establish franchise



Does franchising make sense for you?

Franchising demands unique skillsets

- Franchise development
- Education and training
- Support and assistance
- CAUTION: May require significant
 patience



Is your business franchise-able?

Characteristics of a franchise-able business

- Simple
- Profitable (15 & 15)
- Replicate-able



Franchise Alternatives

Review: What is a franchise?

- The use of a common name or trademark
- The presence of "significant operating control" or "significant operating assistance"
- A required payment of more than \$500 in the first six months of operations



Franchise Alternatives

Eliminate one of three franchise requirements

- Business Opportunities: Eliminate the use of a common name or trademark
- *Trademark Licenses*: Eliminate the support and control
- *Dealerships and Agencies*: Eliminate the fees



Development Strategies

Strategy Will Dictate Marketing and Growth

- Single unit: One owner and one store
- *Conversions*: Established businesses seeking brand strength and support
- Area development: Investment group commits to many stores in one area



Create Your Avatar: Who is your ideal franchisee?

Create your avatar

- Specific skills or experience
- Capital and credit
- Work ethic
- Culture fit



Franchise Buyer Motivations

- Independence / Autonomy
- Be my own boss
- Seeking a challenge
- Creating a legacy



Selling Franchises - Buyer Motivations

Being a business owner offers different rewards to different people. Which statement(s) below best captures your reason(s) for considering a franchise at this time?

- PERSONAL SATISFACTION: I feel stuck, and I am looking for a new career path.
- AUTONOMY: I want the freedom to make my own decisions and set my own targets.
- CHALLENGE: I want an adventure, something that will challenge me to get outside my comfort zone.
- □ ROLE MODEL: I want to create something of my own and be an example to others in doing so.
- LEGACY: I want to build a business that I can pass to children/grandchildren.



How many buyers?

- Spouse / family
- Attorney
- Accountant
- Friends



Turning a Buyer Away

Know when to say "No"...

...especially early on.

ANY FINAL QUESTIONS

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Thank You!



Tactical Skills for the Growing Business



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