

Ten tips for choosing the right Franchise for you

First for those of you who are new to the idea of franchising, here is a brief definition:

Franchising is the permission given by one person, (the Franchisor) to another person (the Franchisee) to use the Franchisor's trade name, trade marks and business system, in return for an initial payment (the franchise fee) and further regular payments (royalty fees).

Here are some common sense tips to help you do your homework:

1. Meet the Franchisor and as many of the people in the operation as possible. Ask yourself how you feel about them, do you like them, trust them, enjoy their company?

Do you want to “partner” with them for a long period of time as you develop and run your business? Be sensitive to how the franchisor treats you while you are evaluating the opportunity. Are they timely, professional, open, and understanding?
2. Do they communicate appropriately and frequently and show integrity? These first interactions are an important indication of the relationship you would have with the Franchisor. Ask yourself if you would be proud to be associated with them.
3. Speak to as many of the existing franchisees as possible. Are they enjoying their franchise? Do they get the support they need from the Franchisor? Is the Franchisor easy to do business with? Does their experience back up the claims made by the Franchisor about the potential of the business?
4. Compare the financial predictions of the business potential the Franchisor gives you with the real results of a number of the existing franchisees. Look at the most successful franchise and also look at the results for the least successful franchise. Have there been any franchise failures?
5. Visit at least one of the franchise operations in action. Can you picture yourself in that environment and doing the daily activities required to run the business? Will you really enjoy what you are doing and look forward to getting up each morning?
6. Do you believe passionately in the product or service you will be offering? Every business will require some sort of selling to

develop customers. If you believe in what you are offering that belief will shine through when you offer it to others and you will find it easy to sell with full integrity and transparency.

6. How viable is the opportunity in your area. Do some local research by asking appropriate friends or contacts if they would want the product or service at that price.
7. When do you realistically expect to be profitable if you had the same performance as the most successful franchisee, and if you had the same performance as the least successful franchisee? Do you have the means to support yourself until that time in both scenarios?
8. Do you realistically have the time you will need to build the business and make it a success? How much time do the other franchisees spend on a daily business running their franchise, how much time did they spend on a daily basis during the stage of building their business initially?
9. Do you have the skills and personality needed? If not, do you feel the Franchisor has a programme in place and the skills to train and support you to fill any skill gaps you have related to building and running the business?
10. Are you confident you will receive the ongoing support you will need from the Franchisor after the initial training and start up phase? What do the experiences of the other franchisees that have been operating for a few years tell you? Do you feel you have the support and encourage you need from your family to allow you to devote the time and energy needed to make your business a success

It is estimated that more than 40% of small firms cease trading within 3 years (Ganguly 1985). However, in comparison to starting a small business, franchising has proved to be successful. 94% of new franchise businesses are still operating profitably 5 years on.

A study by Castrogiovanni Justis and Julian 1993 provides evidence to suggest that franchises are less likely to fail than other types of small business organisations.

However all franchise opportunities are not the same, and all franchisees have differing needs and skills. Follow my ten tips to ensure that your franchise is highly successful on a commercial, professional and personal level.

These tips have grown out of my experience building a franchise network that we hope embodies the best of commercial, professional and personal development practices.

IF you would like to know more about a franchise that offers all the rewards and flexibility of running your own business and the job satisfaction of making a real difference to the lives children, their families and the wider community please look at MindLab.

MindLab is a highly successful after-school programme which uses board games from around the world to develop children's thinking, problem-solving and interpersonal skills - all whilst having fun! Kids, Parents, Teachers, Schools and Franchisees all love it!

I'd love to speak to you about it! Call me on 0217258151
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