

## FRANCHISE ALERT #: 25 THE FRANCHISE DISCOVERY PROCESS

### What is the Franchise Discovery Process?

In simple terms, this is a mutual evaluation process between a franchise candidate and a franchisor. This is the same as the “franchise granting process.”

Each franchise candidate will have a franchise developer working with him or her to explain what the franchise is all about. The process takes several weeks. It begins with a Brand Overview and ends with a Meet the Team Day with the franchise executive team. Following this event, the franchise candidate will either be awarded a franchise or not.

Often weekly phone appointments and online meetings/webinars are regularly scheduled between the two parties. Before each meeting, information or “homework” is frequently emailed to the franchise candidate to review. This information and any questions which arise from it will be covered in the upcoming meeting.

Homework may involve watching videos, reading the Franchise Disclosure Document (FDD), or reviewing information about different aspects of the business and so forth.

Online meetings with the franchise developer may involve Powerpoint presentations; question and answer sessions about the FDD; understanding the business format and operations; learning what “a day in the life” of a franchisee is like; and demonstrations of their proprietary technology. As you advance through the discovery process, you can expect to have phone meetings with key staff members like the VP of Operations and sometimes there are President’s calls.

During the discovery process, key aspects of the business are shared. Each franchise will have its own sequence of steps throughout discovery. Here are the key elements involved:

- Brand Overview
- Unit Economics - If ITEM 19 in the FDD
- [Franchise Disclosure Document \(FDD\)](#)
- Operations
- Technology and systems
- Marketing and customer acquisition
- Real estate - if applicable
- Training and Support
- Day in the Life of a Franchisee
- Validation with Franchisees
- Meet the Team Day





## TIPS for presenting yourself in the best possible way as a franchise candidate:

1. Be on time for all scheduled meetings.

What's even better is to be 5 minutes early. Since most meetings will be online and involve clicking on a link to join, there is the opportunity for

- You to not find the link when you need it and/or
- There can be a time delay due to not having the necessary app on your computer (zoom or Webex or google meet for example), and you'll need to download it
- Internet problems
- Your camera not to be working - **DO TURN ON YOUR CAMERA**

If an emergency happens, and you are unable to attend, reach out to your franchise developer as soon as possible to explain why you were a **No Show** and reschedule.

2. **Do your homework** in advance of your scheduled meetings.

- Watch the videos, review the FDD, read the material sent to you, fill out any paperwork like the FDD receipt or the application....
- Have insightful comments or questions prompted by the homework
- Focus on the step of the discovery process where you are currently
  - o Don't go backward or forward; let the franchise developer guide you
  - o If you can't follow the developer's lead during the discovery process, you are indicating you won't follow the franchisor's lead as a franchisee!

3. **Be yourself** and bring the 4 P's - **be prompt, professional, positive, and prepared**. In addition, be courteous, inquisitive, and respectful. **Show your personality**. Your developer really does want to get to know you and what you bring to the table as a potential franchisee. Having an engaging personality goes a long way!

4. **Bring an open mind** and **show a willingness to learn** (as opposed to being a Know-it-all)

5. **Ask insightful**, well-thought-out **questions** vs. demanding answers

6. Have your **spouse/significant other** or **business partner** attend **EACH** franchise meeting.

- This can be a **BIG DIFFERENTIATOR**. Franchisors know it is a big decision to own a business (or another business as may be the case). Whether your spouse is involved in the business or not, **the business will affect the spouse**. It will affect the marriage/relationship, the family's money, and the family's future.
- Avoid being "a one-legger." This means presenting yourself alone, standing on one leg in front of a franchisor. It's best to present yourself as standing firmly on two legs, yours and your spouse's or partner's. Actions do speak louder than words: having your spouse/partner attend the franchise meetings demonstrates **SUPPORT**.
- There are exceptions to the spouse/partner being involved in the discovery process but they are few.





7. **Use a Franchise Consultant** or Advisor with experience. Franchise Consultants perform these important services for franchisors:

- A) Pre-qualifies people based on financial qualifications, skills (what someone brings to the table as a business owner and potential franchisee), and commitment to exploring franchise opportunities.
- B) Educates people about franchising and what to expect as franchise opportunities are explored.
- C) Matches people to franchises appropriate to their financial qualifications, skills, interests, long-term goals and desired territory.
- D) Coaches candidates through the decision-making process so they can make well-informed decisions about making a possible franchise investment.

#### **UNIQUE CHARACTERISTICS:**

In franchising, it is said that **franchises are awarded, not "sold."** Unlike going to a store and buying something off the shelf because you want it and can afford it, franchises involve a different acquisition process.

Just because someone has the money to afford a particular franchise doesn't mean he or she will be awarded it. Someone has to be selected for a franchise. Following the tips above is a great way to stand out from the crowd. It's not unusual for multiple people to also be exploring the same franchise for the same market or territory as you.

Whether you are the only one being considered or you are one of many, it is wise to put your best foot forward at all times. This includes in your communications (emails, texts, phone calls, voice mails) and live/online interactions with anyone representing the franchisor.

Somewhat like a job interview, each franchise meeting determines if there will be another meeting in the future. So, be prompt, be professional, be positive, and be prepared. This will help you be a successful franchise candidate.





### Next Step: 3 Options

1. Visit our [website](#), [FAQs](#), [videos](#), [testimonials](#), [Resources](#), and [LinkedIn profile](#).
2. Schedule a confidential appointment with Anna by calling/texting 706.736.0579, emailing [anna@selectfranchises.com](mailto:anna@selectfranchises.com), or [clicking here](#).
3. Stay in touch and be informed by engaging on social media to get the latest news on what's hot in franchising and learn what you need to know about franchises.
  - Invite me to connect on [LinkedIn](#)
  - Follow Select Franchises on [LinkedIn](#) and on [Facebook](#)
  - Send me a friend request on [Facebook](#)
  - Subscribe to our [Youtube](#) channel
  - Be informed on [Instagram](#) and [Tweet](#) me your questions

It's my pleasure to help you understand the [franchise discovery process](#) and how to be a successful franchise candidate.



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