



The Accidental Ambush, Part II

Advice Worth Listening To

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You're in the market to buy a franchise, and you've found a concept that you like. You've read the website, reviewed the marketing materials and examined the Franchise Disclosure Document. In addition, you've talked to the franchisor a number of times. While your spouse may not be completely on board, you've kept him or her in the loop. It's looking pretty good so far.

Advice that Helps

If you are serious about being a franchise owner, the next step would be to seek advice from business professionals who have practical experience in franchising, in the industry that you are considering and better yet, in the franchise you are considering. The franchisees are a wonderful resource and in most franchise systems they are open and willing to help. An accountant that has experience in this industry and knows the norms regarding profit would be very helpful. A franchise consultant that has years of experience in franchising can provide you with a balanced point of view regarding the opportunity. Finally, a lawyer that specializes in franchising can be helpful in reviewing the structure of the relationship.

Advice that Disorients

Far too often, potential franchisees get so excited about the idea of being a business owner that before they fully understand the risks and rewards, they start reciting their loosely formed dreams to anyone who will listen. They discuss their business idea with their drinking buddies and even with Great Aunt Edna. Now let's be honest, Great Aunt Edna loves you but she's been out of the working world for 25 years – she does not have an email address and still enjoys watching reruns of Bonanza. There is very little she can do to help you as you seek out more



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franchise information. There is a lot, however, that she can do to disorient you. Be careful.

How about your buddy who works for the U. S. Postal Service? His lifetime has been spent avoiding risk, maximizing salary, building his pension and surviving until retirement. There's nothing wrong with that, but is he able to offer you much guidance? Probably not.

Many people have your best interests in mind. But well-meaning advice from people who simply don't understand business ownership, the industry you are looking at or have practical franchise information can be incredibly disorienting.

Advice that Matters

Spouses generally balance each other in temperament. If you are a go-getter, there's a high probability that your spouse is more conservative. S/he will remind you that the paycheck is nice, and will worry about what will happen if you fail. These are critical conversations to have. But you want to be prepared.

First, get all the facts and make sure you have a clear idea of what it takes to be successful in the business. How long does it normally take to break even and what level of income would a successful business create. Learn everything you can and involve your spouse every step of the way. If your spouse has a concern, listen to the concern and get as much information on the topic as you can to share with your spouse. These decisions are normally made as a partnership. If you and your spouse decide not to move forward with a business opportunity that you love, won't you feel better knowing you've given





him or her all the facts? At least then you know you gave it your best shot.

Here are some of the most common objections you are likely to hear, as well as some facts to combat those perceptions.

1. Don't most small businesses fail?

Many long-term studies have shown that, unlike independent start-ups, franchises have a strong success rate. Owning a franchise (vs. starting an independent business) gives you a tremendous head start, including:

- A proven operating system that can predictably create success.

- National marketing programs

- Group buying power

- Training and on-going support

- Manuals, procedures, job descriptions, accounting help, and so much more.

To get more information on this topic go to the Download section of www.educatedfranchisee.com. There are several reputable studies that will give you all the franchise information you need in regard to success rates.

2. Why don't you just change jobs?

Any book you read on wealth creation will tell you that very few people get wealthy by working for other people. Wealth is normally created in three ways – the Stock Market (less than 10% of millionaires created their wealth by investing in the stock market), Real Estate Investment (10 – 20% of millionaires created their wealth by investing in real estate), and Business Ownership (70 – 80 % of millionaires created their wealth by building businesses).





Getting another job will not move you to the next level. If you are looking to create wealth and a better future for you and your family, business ownership is the best path. Chapter 5 of The Educated Franchisee can help you learn more about how business ownership leads to wealth creation.

3. Maybe you should think about it some more.

You should not make a decision of this magnitude in haste but you do not want to delay either. Do your homework, ask all the questions and take notes – then make a yes or no decision in a timely and businesslike fashion. One characteristic of successful business people is their ability to make good business decisions with incomplete information. If you find yourself paralyzed, be careful, business ownership may not be for you. Yes or no, the most important thing is your ability and willingness to make a decisive decision and move forward.

4. What if you fail?

You need to move into business ownership with the knowledge that you may fail. Of course you may also lose your job. There are no guarantees with anything that we do in life. Nobody can guarantee success. All you can do is stack the deck in your favor.

If you know that most franchisees in your chosen system are happy with their success; that you have similar skill set to successful franchisees; that you are adequately capitalized; that you believe in and can follow the franchisor's system; and that you are willing to work hard, you are on your way to being confident that you can succeed.



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Before you begin to share franchise information with your friends and family make sure you have the facts straight. Educate them. Help them join your team. And if they can't be on your team, maybe that's OK. Everyone likes to give advice, and naturally, everyone gives advice from their point of view – their reference base. As long as you know that, you can appreciate their concern, and not let it overly influence you.

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The Educated Franchisee is dedicated to franchise education through the sharing of franchise information. Our objective is –

“To create educated franchise buyers that have clearly defined objectives and are able to recognize the right, or wrong, franchise when they see it. An educated franchise buyer will move into the franchisee role with their expectations properly set and will have a heightened potential for success within the franchise system creating a win/win for all involved.

To get more franchise information about how to stack the deck in your favor –

Visit our website at www.educatedfranchisee.com or

Purchase our franchise book – [The Educated Franchisee](#) by Rick Bisio, Franchise Consultant or

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