

Questions to Ask Existing Franchisees

As you go thru your evaluation process, a very valuable source of information can be obtained from existing franchisees.

Franchisors should give you a list of current franchise owners, and you should contact a number of them. This can aid in determining the existing attitudes of current franchisees. Try to request a good cross-section of franchisees (not just the happy one's). Ask questions and listen to any complaints to get a good overall feel for the franchise.

Some good questions to ask:

Training and Support

Were other franchisees prepared for opening and the future?

Opening Support

Was there assistance in site selection, lease negotiation, financing, business permits?

Ongoing Support

Was the franchise effective at dealing with problems that arose during the course of business?

Franchise Marketing Programs

Does the franchise collect marketing dollars from the franchisees and the franchisees supportive of the program?

Purchasing Power

Does the company effectively leverage its buying power to get discounts beyond what an independent could achieve?

Franchise Investment

Make a determination on the total investment needed to be successful in your market or region?

Earnings

Don't be afraid to ask. It's important to have a guide as to how a franchise should develop over time. It's also important to get a good judge of how other franchisees are doing.

Disclaimer: This information is designed to provide information only to prospective business and franchise opportunities buyers. The prospective business buyer is responsible to thoroughly investigate any franchise or business opportunity listed on this email, obtain all appropriate disclosure documents, and seek expert consultation prior to making any investment decision. The representations, views and opinions expressed or implied in any document or image included in, or linked to or from this information, do not necessarily state or reflect those of Economic Strategies, Ltd. or any of its representatives.

Economic Strategies, Ltd.

752 Evelynnton Loop; The Villages, FL 32162

Ph: 352 350-1517 Fax: 877-553-8073

Email: franchising@econstrategies.com Web: www.econstrategies.com