

# Top Three Franchise Questions

## **Q-1: Why would I want to buy a franchise?**

Franchises have the highest success rates and the lowest failure rates of any business in North America today! Over 95% of all franchises are still in business after five years because they all come with built-in proven success formulas used by franchisees across the country. When you purchase a franchise you will receive on-going support for the life of the franchise. By on-going I mean, marketing, training and management support guaranteed by your agreement with the franchisor.

## **Q-2: Why should I pay royalties?**

Royalties are the magic that makes the formula work. What would it cost you to hire a management, marketing, advertising and customer support team? The answer is.....a lot more than the typical owner would ever spend! How much would you put back into the business? You certainly couldn't hire this group for under 10% and the vast majority of all royalties are between 4 and 8%. The wonder of royalties is that instead of the individual owner footing the bill to run his or her business the expense is shared with all of the franchisees within the organization.

## **Q-3: How much money can I make?**

This is the most frequently asked question and franchising allows the buyer the perfect way to get the answer. The franchisor will supply to the prospect a complete list of their franchisees with names and phone numbers and they will require the prospects to call as many of these franchises as possible.

This is wonderful because it allows the buyer to ask all of the "real questions", such as: How much money can I make? How long did it take you to get your business up and running? Were there any surprises that I need to know about? What is the franchisor really like and any other questions that you can think of. Many franchisors have printed earnings claims in their UFOC documents but they will still insist that all interested buyers call the franchises and get the "real answers".