



3 COMMON MISTAKES MADE BY FRANCHISE BUYERS



1. YOU DON'T UNDERSTAND THE BUSINESS MODEL

A high percentage of motivated buyers will often purchase a franchise off an emotional connection to a product or service instead of truly understanding the operational roles and requirements. If you are not doing a deep dive analysis into your transferrable skills and lifestyle to determine if the daily operations align with each, this could be a costly mistake.

A hand holding a pen is positioned over a laptop keyboard. The entire image is covered with a semi-transparent blue overlay. The background shows a laptop screen with some faint, illegible text and a keyboard with visible keys like '3', '4', '5', '6', '7', '8', '9', '0', 'delete', 'W', 'E', 'R', 'T', 'Y', 'U', 'I', 'O', 'P', 'S', 'D', 'F', 'G', 'H', 'J', 'K', 'L', 'X', 'C', 'V', 'B', 'N', 'command', 'return', and 'shift'.

2. A LACK OF PROPER DUE DILIGENCE

This may in fact be THE most important step in the discovery process of becoming a franchise buyer. The Federal Trade Commission regulates how Franchisors release financial data for their locations, but existing franchise owners are not under the same scrutiny. Legally they can disclose as much or little information as they choose with prospective buyers. If you do not speak to franchisees within neighboring territories or the region, you are missing out on valuable information regarding financials, marketing, technology, and franchise support.



3. THINKING BIGGER IS BETTER

Just because a brand has hundreds of locations, this does not always equate to success. Some franchisors are “applicant driven” and have awarded agreements to buyers that are not the best match for long term success. It is important to understand the ideal “owner profile” and financial requirements needed to start the business. In addition, learn about what marketing and technology support the franchisor is providing to help drive your success.

If you're ready to take
the first step toward
franchise ownership, I
would be honored to
work with you.

Together, we'll identify
your goals, plot your
path to success, and
define your journey!

Book a Call now.



FranPursuit
Define Your Journey

