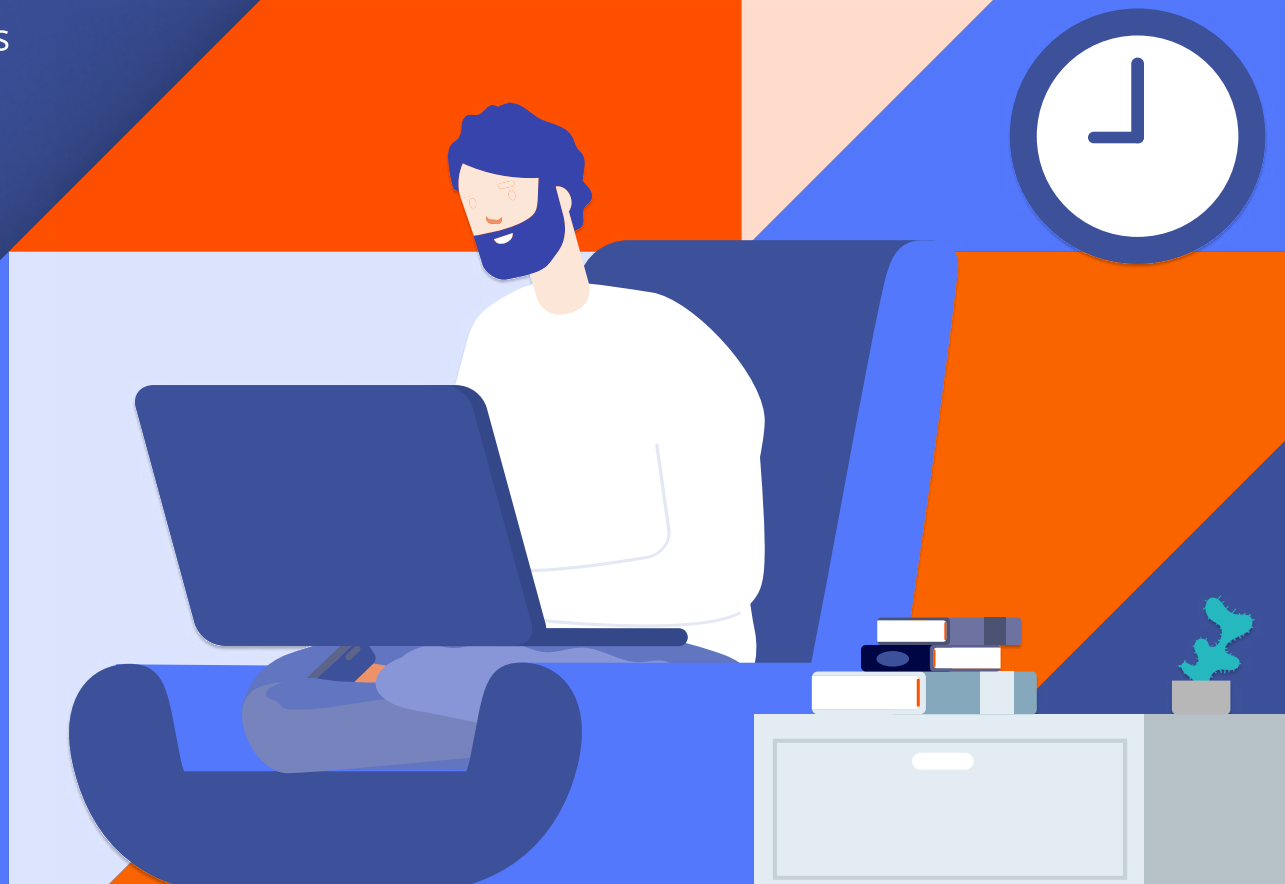


The Franchisors Handbook for Success

Create a thriving business
for you and your franchisees



Promise. Deliver. Repeat.

You built your franchise business on a consistent experience. From the branding on your front door to how the phones are answered, you've made a promise to the customers you serve, and now, they know what to expect from you.

As you begin to expand your franchise business, it's important to keep meeting and exceeding the high standards that you've set. The best way to do that is to ensure consistency.

All your customers should have the same experience at any of your locations, whether that's your website, in your brick-and-mortar stores, and even in online chat and email responses.

To get there, you'll need cooperation. Your franchisees should also know what you expect from them.

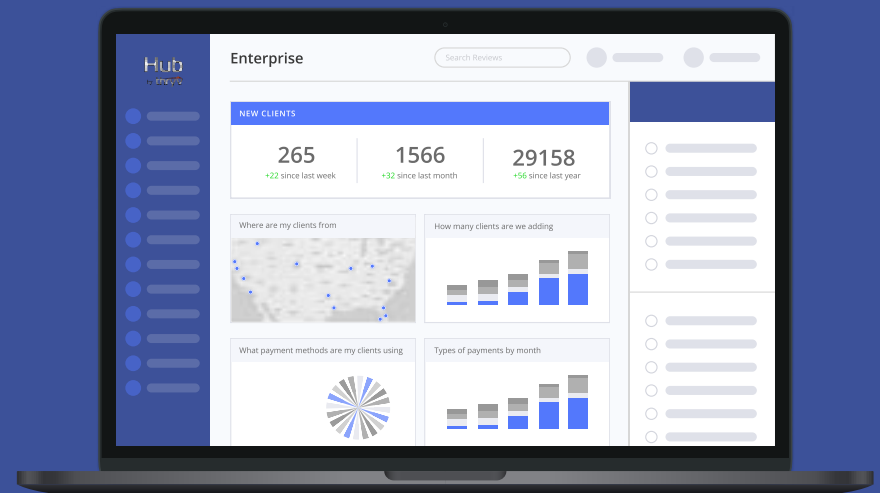
That's sometimes easier said than done. It can be challenging to find the time and energy required to get all your locations on the same page. But setting up your franchisees for success early on is a must for taking the business you've worked so hard on to the next level.

Let's keep that momentum going.

Common challenges facing franchisors and how to avoid them

While not all franchises are the same, most all encounter similar challenges in the early stages of their growth journey.

In this ebook, you'll read about five of the most common challenges that emerging franchisors and their franchisees experience. You'll also find the top tried-and-tested steps to make sure you avoid them and to jump start your collective success — from the get go.



Challenge 01

Lack of insights and information

Before they've even gotten out of the gate, franchisees can flounder but not know why. And without insights into what they're struggling with or even that they are, you can't help them.

Here are some of the most common issues we see when it comes to a lack of franchisee information.

Common challenges



Not all franchisees have the same level of experience. Some may need different types and levels of support.



Franchisees don't always have established performance benchmarks. Yet without them, they can't know what good looks like.

As the franchisor, you need complete insights into how your franchise locations are performing — and who needs assistance. That way, you can deliver support and attention where (and when) it's needed and congratulations when it's not.



Solution 01

Gather insights to help drive collective franchisee success

To understand and help your franchisees thrive, let the information they have — and don't — guide you.

💡 Ideas that work:



Take the time to make in-person visits to all your locations, especially the ones that are struggling.



Review the performance of each of your franchisees' businesses with them. If they aren't gathering information such as performance data, let them know what you need, when and why. They may not know the benefit of collecting this information.



Share advice and best practices with new franchisees to avoid potentially costly trial-and-error approaches.



Incentivize successful franchisees to mentor new or struggling owners.



Challenge 02

Inconsistency makes the work harder

For better or worse, customers can be very vocal. They're also incredibly empowered to share their impressions of your business not just in person to a friend or two, but online to anyone.

The most basic requirement for pleasing clients? Consistency.

⚠ Common challenges:



Some franchisees may not know how important consistent customer experiences are to business success and the brand as a whole.



Some franchise owners may not be rule-followers — they'll want to do things their way.

Consistency is vital

Delivering an inconsistent customer experience at one franchise location has the potential to damage your overall brand and ripple through your entire business.



Successful franchisor brand



Franchisees delivering inconsistent customer experiences



Inconsistent customer experience and brand damage



of consumers say a positive brand experience is more influential than advertising, according to PwC.

Solution 02

Help maintain consistency by explaining its importance

Your franchisees likely aren't marketers educated in the importance and necessity for a consistent experience at all times. For example, they may not realize that all touchpoints, whether that's the attitude of one employee or the cleanliness of the guest bathroom, serve as opportunities to either elevate or sink your brand.

That's why it's so important that you share why a predictable customer experience matters so much. Communicate with franchisees by using tactics like these also on a consistent basis:

Ideas that work:

-  Distribute printable checklists of reminders for simple ways to build consistency among customers, for example, a reminder to always answer the phone with a standard greeting.
-  During group calls, encourage franchisees to share how they've successfully implemented consistency improvements.
-  Provide all franchisees access to the same digital templates for emails and invoices.
-  Share brief case studies or testimonials that highlight peer franchisees who are seeing the benefits of consistency and why.
-  Distribute quick-hit emails about common consistency pitfalls — areas where it's easy to let consistency slide and ways to avoid it. Common missteps here include posting counter-productive comments on social media and initiating well meaning programs or offers independently.



Challenge 03

Gaps in digital skills and understanding

The customer's experience of your brand begins online. You need to be there when they're looking for the types of services you offer. This includes your digital presence (like your website).

Your social media activity drives awareness and visibility on review sites (like Facebook, Instagram, Yelp) and in search results such as Google. You can't be considered if you don't show up on online searches, and when you do show up, particularly on a review site, you want it to be positive and accurate.

Education, along with easy-to-use digital tools, can lay the foundation for a positive digital experience for your franchisees, driving business to them — and you.

⚠ Common challenges:



Franchisees may not be aware that what your customer finds (or doesn't) about the business online is how they will experience your brand.

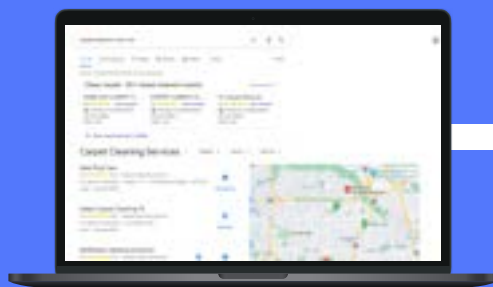


A lack of digital literacy. Franchisees may not understand digital marketing or its value and importance. They may also feel they lack the time to spend maintaining an ongoing digital presence.

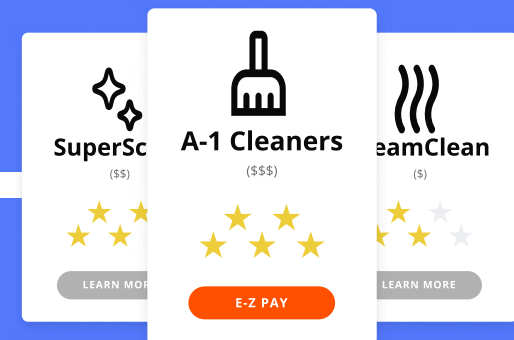


Franchisees may not have access to digital tools, including those that can easily aggregate online reviews from all sources.

Today's customer:



93%
of consumers
use the internet
to find a local
business.²



- Customers use the internet to solve their problems
- They search to find solutions and services to purchase

- Customers go online to compare other, like providers to find the best value
- Today's consumer expects easy online payment options
- They read online reviews for products and services

Solution 03

Help owners become more digitally savvy

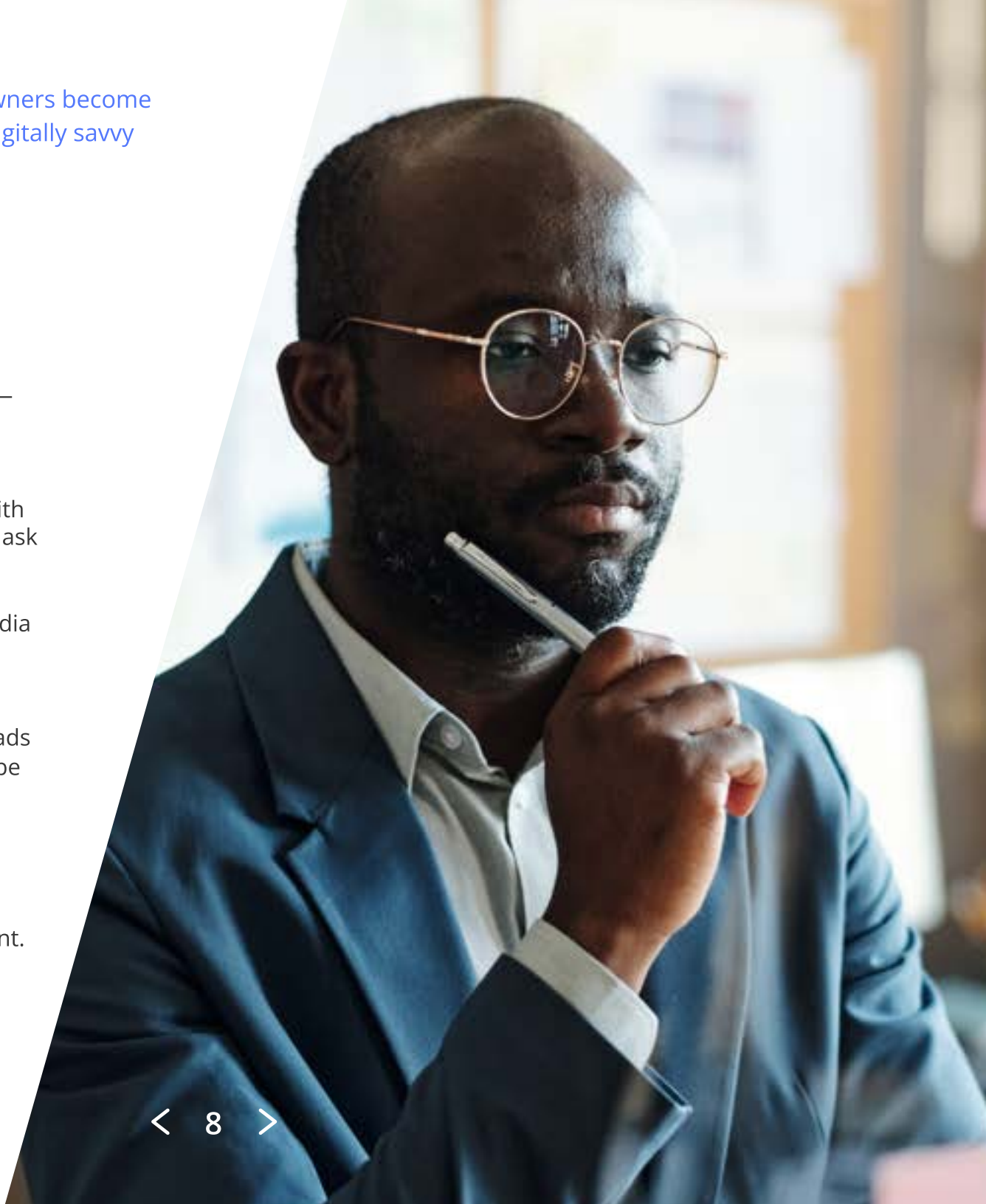
💡 Ideas that work:

- 💬 Explain the importance — and reward — of engaging online.

- 💬 Earn the trust of potential customers with reviews. Encourage your franchisees to ask their clients to provide reviews of your services and offerings that, with their permission, you can share on social media and use on your website.

- 🧠 Create online listings and social media ads designed to be noticed. (Remember to be consistent in look and content.)

- 📄 Provide templates and messaging for emails; appointment confirmations, if applicable; and promotions and payment.



Challenge 04

Irregular or non-existent pipeline reporting

For your emerging franchise to grow, you need to make sure your franchisee's sales pipelines are full with quality leads — as essentially, this is what determines your business's future.

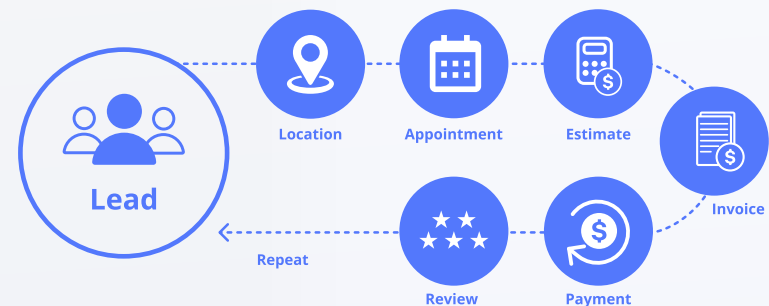
To ensure cooperation, you need complete visibility into each franchisee's leads, as well as their existing and prospective base of customers.



*The economic output of franchises is expected to reach **\$826.6 billion in 2022.**³*

⚠ Common challenges:

- 👁 If you can't see which franchise locations have a steady flow of new business, you can't identify which ones are growing and which ones need help building their pipeline.
- 🕒 Managing a pipeline takes time — a challenge for many franchisees.
- ❓ Inexperienced franchisees may not understand how vital a pipeline is or how to develop one.



Solution 04

Keep tabs on steady growth with regular pipeline reporting

Keep your franchisee pipeline of new customers flowing by being informed. Know which locations have a steady stream of new business and which ones are struggling to build leads.

💡 Ideas that work:



Make sure franchisees understand the need for regular reporting. Request that each franchisee submit regular pipeline reports; soon it will become habit.



Provide them with a reporting template they can use to complete and review with you.



Conduct one-on-one, weekly update calls with franchisees until they have a stable pipeline.



Maintain contact monthly to help ensure that the flow of new customer's stays strong.



When applicable, suggest overbooked and extended locations reach out to nearby locations so they can accommodate overage.



Give successful managers access to additional leads.



Identify poor performance as soon as possible so you can offer support and mentoring.



Challenge 05

Keeping communication open and ongoing

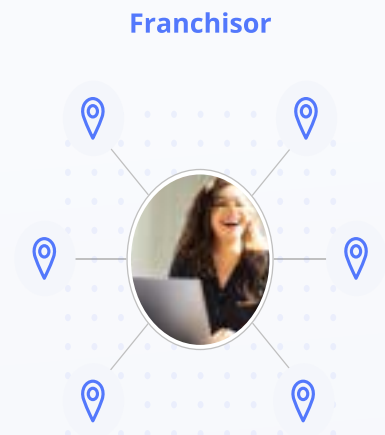
As you have likely already encountered, communication issues with franchisees will arise. Keeping simple hiccups from becoming problems can make all the difference in the health and growth of your franchise.

⚠ Common challenges:

- ❓ It may not be clear to prospective franchisees or customer's that you have more locations opening. This can lead to confusion and lost business, yet it's an easy item to communicate.
- ⊕ What may seem to be a small concern can turn into something quite large (and inaccurate) by word of mouth. This can not only harm the perception of your existing clients but also your pipeline and future investor interest, too.
- 💬 It can be hard to have difficult conversations with franchisees who are underperforming but it's important to do so anyway. Clear communication of expectations, even revisiting them often, eliminates most issues.
- 🤝 Prospective franchisees need to see they are buying into a successful company. Make sure your current franchisees can speak to this authentically and positively. If you feel they can't, have a dialogue with them.

Adding locations doesn't have to mean spreading yourself too thin among franchisees.

Active communication helps you maintain strong connections across your enterprise, from your first franchise to your most recently opened one.



Solution 05

Be proactive with current and prospective franchisees

💡 Ideas that work:



Communicate early and often with franchisees and customers. Many times, a simple conversation can prevent misperceptions and misinformation from spreading.



That said, don't shy away from difficult conversations. Highlight issues and provide solutions right away to help a franchisee get back on track.



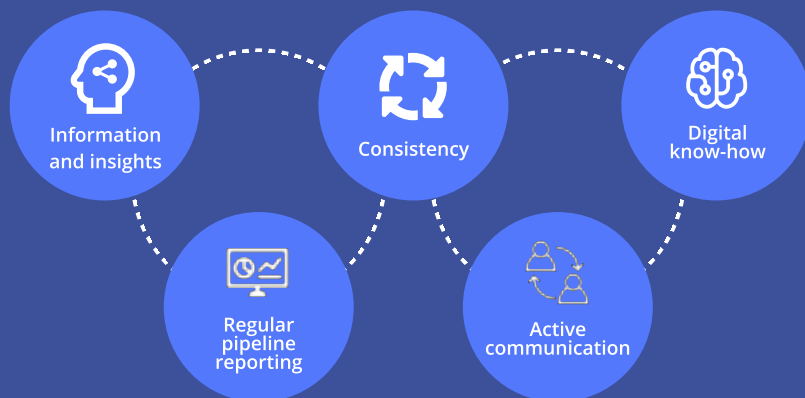
Share best practices from other locations. Has one of your units handled a tricky communication situation really well? Let them share their experience with others.



Actively share information with your prospective franchise owners, they'll know you are growing and can be a part of that success.



Accelerating your franchise success requires:



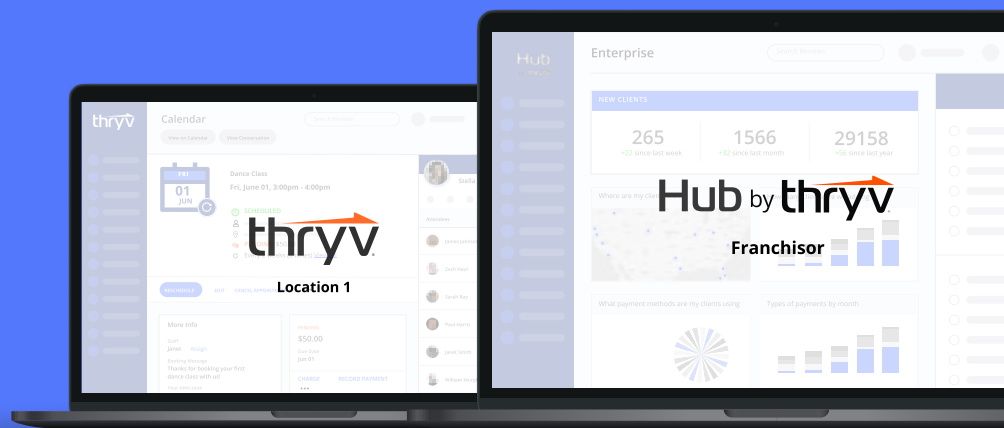
You need to:

- ✓ Gather insights to help drive collective franchisee success.
- ✓ Help maintain consistency by explaining its importance.
- ✓ Help owners become more digitally savvy (especially when it comes to reviews).
- ✓ Keep tabs on growth with regular pipeline reporting.
- ✓ Communicate actively with customer's, and current and prospective franchisees.

We're Hub by Thryv and we're here to help.

If you're interested in learning more about how our solutions can support your drive for adding even more successful franchise locations and how to equip your franchisees with the tools they need to deliver a high-quality, consistent experience that keeps customers coming back — let's talk.

[Schedule a complimentary consultation](#) with a Hub by Thryv franchise consultant.



Scale your multi-location business or franchise with Hub by Thryv

Contact a Hub by Thryv
franchising expert for more
details and a free demo.

TALK TO A FRANCHISING EXPERT



¹ Puthiyamadam, Tom and Reyes, Jose. "Experience is everything: Here's how to get it right." PwC. 2018.

<https://www.pwc.com/us/en/zz-test/assets/pwc-consumer-intelligence-series-customer-experience.pdf> (accessed August 27, 2021).

² Murphy, Rosie. Local Consumer Review Survey 2020. December 9, 2020. <https://www.brightlocal.com/research/local-consumer-review-survey/> (accessed August 5, 2021).

³ "International Franchise Association 2021 Economic Outlook for Franchising." FRANData. February 18, 2021.
<https://www.franchise.org/sites/default/files/2022-02/2022%20Franchising%20Economic%20Outlook.pdf>=bc