

# Before You Invest

Nothing guarantees that a particular franchise is a good fit for you or that you will be successful, but franchisors that are members of the bfa and that have recently been awarded 5 Star Franchisee Satisfaction status are a good place to start. There are many other important considerations including:



## SELF-ASSESSMENT

Becoming your own boss as a franchise owner may be an appealing idea, but it does not come without commitment, hard work and the willingness to follow someone else's system and way of doing business. Ask yourself if you're ready to make these sacrifices and if you have the full support of your family.



## INVESTMENT LEVEL

Define your investment level before you choose a franchise and understand how much working capital you will need during the start-up phase of your business and how much you will need to earn out of the business, on what timetable, to meet you and your family's basic needs.



## MARKET RESEARCH

Build your understanding of the market the franchise serves and avoid "fad" industries. Although franchise owners may be satisfied now, will this remain the case in the future? What is the record of success the franchise has in its market? For how long has it maintained its success?



## FRANCHISOR ASSESSMENT

Is the franchisor a member of the British Franchise Association (BFA)? The BFA sets standards of good practice that its members must adhere to. If a company is not a member, why not? Research the franchisor's background and any previous businesses the directors have been involved in. Is the franchisor in good financial health and have they adequately invested in growing their support team and infrastructure?



## RECRUITMENT PROCESS

A good franchisor will be as careful in recruiting you as you should be in selecting your franchisor. You should not feel pressured or rushed, and your legitimate questions should be answered honestly and openly.

If you are serious about the franchise, you should be invited to meet with existing franchisees which is in any case something you should insist on to find out from existing franchisees that the franchise delivers what is promised.



## PROFESSIONAL ADVICE

There are professional advisors accredited by the BFA that specialise in franchising, including solicitors and accountants. Ensure you seek their guidance on the franchise agreement and ask an accountant to review the accounts and health of the franchisor.