

FAQs

Can you give me a short explanation of what Franchising is?

The originator of a business idea develops a “winning formula” which others licence for a fee. The party selling the winning formula (the franchisor) grows a business fast without having to raise all the money needed for a conventional business. The party buying the “winning formula” (the franchisee) helps fund the expansion and gets a viable business quickly and easily at lower risk. When done properly it’s a real win-win.

What’s the difference between selling goods or services through a third party and being a Franchisor?

The main practical difference is the level of control you have over the third party. Without a franchising arrangement the third party is free to... not bother to sell, sell in a way that undermines your reputation, switch to another supplier, deliver the goods or service in a poor way, hide your brand etc. Of course they may not deliberately do this but it can still happen and if it does you can’t do much about it. If you are a Franchisor you can make sure that your goods and services are sold with the consistent standard of quality and service that you require. If a Franchisee under-performs you can disenfranchise them.

We know our products and services very well, and know how to sell them, so why should we use Facture?

The short answer to this is you *should continue to concentrate on your core expertise* and use other specialist parties to help you with the rest. Facture has the specialist know-how you need to build a Franchise. It's taken us years to build up this know how. You haven't got the time to do that. If you go it alone you have a high chance of failure (80% of all business fail in the first 5 years) and your progress is likely to be slow.

What do we get from Facture?

Prospective franchisees are more likely to buy from you when you can demonstrate to them that you have worked out every detail of how an outlet must work and have documentation, systems and training in place that the franchisees can use to ensure their own success. Capturing the know-how out of your head into an easy-to-learn form requires specialist methods. We believe conventional methods based on wordy manuals and classroom learning are unnecessarily expensive and don't work. Our techniques will help you get set up in a more cost-effective way that also delivers consistently high results. (We can supply independent evidence to prove we can do it.)

You get four key things when you have Facture as your partner...

- a) Access to a whole set of specialist techniques that help you overcome the series of obstacles in your path to success.
- b) Help with the production of materials needed to operate the franchise.
- c) Guidance and hands-on help from someone who has been through the process before.
- d) Access to specialists when you need them.

Won't it be more expensive to set up a franchise than just sell what we've got?

It is true that the effort to create a franchise is much greater than just selling what you've got, especially in the short term. However, the payback for the effort put in should be greater and sooner because of the more rapid growth. Once the franchisees come on board the cost to you will become much much smaller than it would be in a conventional business.

If it's so good for us as Franchisor what does a Franchisee get out of it?

The secret to a successful franchise is win-win. Both the Franchisor and the Franchisee have to gain from the relationship. In essence the Franchisee gets a very good new business, or new line of business, very quickly at minimal risk. They can set straight to making money (for them and you) instead of taking ages to get the business up and running.

How long will it take to build up my franchise?

Experience has taught us that it is best to scale up the operation in stages, by a factor of 5 at each stage. That means you start with a single pilot, then launch another 5 then move on to 25, and so on. Each stage takes several weeks or months depending on the complexity of your franchise. Results vary a lot. Some franchises get to 30 in a year others only get to 3. The simpler the business the faster you can grow. However, one of the most common limits to growth will be your ability to capture sufficient numbers of suitable franchisees. Over the past three year we have developed very successful specialist methods specifically to address this issue

How do I find out if Franchising would work for my business without spending a fortune?

The creation of a complete franchise chain can be very expensive and time-consuming. Although the long-term results are often very attractive compared with conventional business growth the price you pay in the short-term is extra expense and extra work.

We therefore recommend you take the whole process in steps starting with a simple exercise that enables you to check for yourself whether or not Franchising can work for you. Then we offer a 2-hour free consultation so you can get answers to key issues before you decide whether or not to continue. Finally, you can attend a half-day workshop that starts a “Proof of Concept”. After this workshop you will be able to decide whether or not you want to go ahead with the idea. If you don’t want to go ahead you’ll only pay £1,000 plus vat. If you decide you do want to proceed then you will need to complete the Proof of Concept (PoC). This will cost from £4,000 to £9, 000, depending on what you need to do to complete the process. You’ll have a good idea of what you need to spend after the initial workshop.

So what will it cost us to use Fracture and how do we pay?

Once you decide to move forward with the proven concept, the work is based on payment for results. No result – no fee. In other words we share the cost and risk with you in return for a share of the profits. As with everything else we do, we want you to feel that you are getting a fair deal from us, and we expect a fair reward. In practice it’s easy to work out the arrangements once some basic analysis has been done by us with you. Payment is made in stages from the actual profits already generated.
