



Due Diligence on Franchise (Step 8)

Lesson Description: This lesson explains a series of calls with the candidate researching the franchise system. It includes a lesson on the process, the call guide instructions, and possibly a live case study.

Prerequisites:

- What You Need to Know to Be a Successful Franchise Broker
- The question-based broker points of SPIN Selling
- Initial Call (Step 1)
- Funding (Step 2)
- Candidate Research (Step 3)
- Franchise Education (Step 4)
- Research (Step 5)
- Presentation (Step 6)
- Introduction to Zor (Step 7)

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Resources: Questions to ask the franchisor

Quiz: Interactive Q&A throughout the week

Objective and Directions

The purpose of this section is to assist the candidate in researching the franchise and determining whether or not it is right for the candidate and their area.

How to prepare for these candidate calls

This is a series of calls which all follow the same format as the introduction to the franchise call without the bio. These calls are mostly between the candidate and the franchise with the broker acting as a support person and educator to the process.

- Attend all calls, if franchisor allows
- Make sure the broker is project managing, setting the next meeting, and making sure the calls are happening.
- Make sure the follow-up actions are completed after calls.
- STAY on the call after the franchisor hangs up and get feedback.

How to complete Franchise Research Call

Call Structure

Opening

- Touch base, “have you given any further thought to our call yesterday?”
- “Has anything changed since we last spoke?”
- Go into PAIN – Use prepared SPIN Questions

Set expectations and purpose of the call

- Less of a need for this because you will follow the franchisor's process.

Typically 2 Calls

- 2nd Call to continue Discovery
 - This call continues to go over features and benefits of the franchise.
 - Sometimes they review the franchise marketing systems, technology, location examples or other items to help the candidate understand what being a franchisee of this system would be like.
- FDD Review Call
 - This call is to help the candidate have a platform to discuss questions on the Disclosure Document.
 - View the **FDD Preparation Candidate Call Guide** [here](#).

Moderate the conversation

- Just sit back and let the franchisor control the call.
- Ask questions if you feel they are relevant to the candidate's interest.
- If you know that the franchisor offers something that is of particular interest to your candidate, but the franchisor doesn't mention it, ask for them.
- Pay attention to any time the franchisor mentions one of your candidate's hot buttons or PAIN. Ask the franchisor to elaborate on these points.

Planned Advance

1. Thank the franchisor for their time.
2. Ask what the next steps are.
3. Make sure everyone understands action items that need to be completed prior to the next call from the franchise.
4. Schedule the next meeting date or the next approximate date.
5. Mark your calendar
6. Stay on the phone with the candidate after the franchise hangs up and
7. get their impressions, worries, thoughts, excitement.

Optional Next Calls

1. Schedule the next call which is one of the followings
 - Marketing Review
 - FDD Review
 - Infrastructure Review
 - Validation
2. Repeat for each call

Follow-up

- Send any follow-up items and ensure management of the account is done.

Lesson Media

- Questions-to-Ask-the-Franchisor