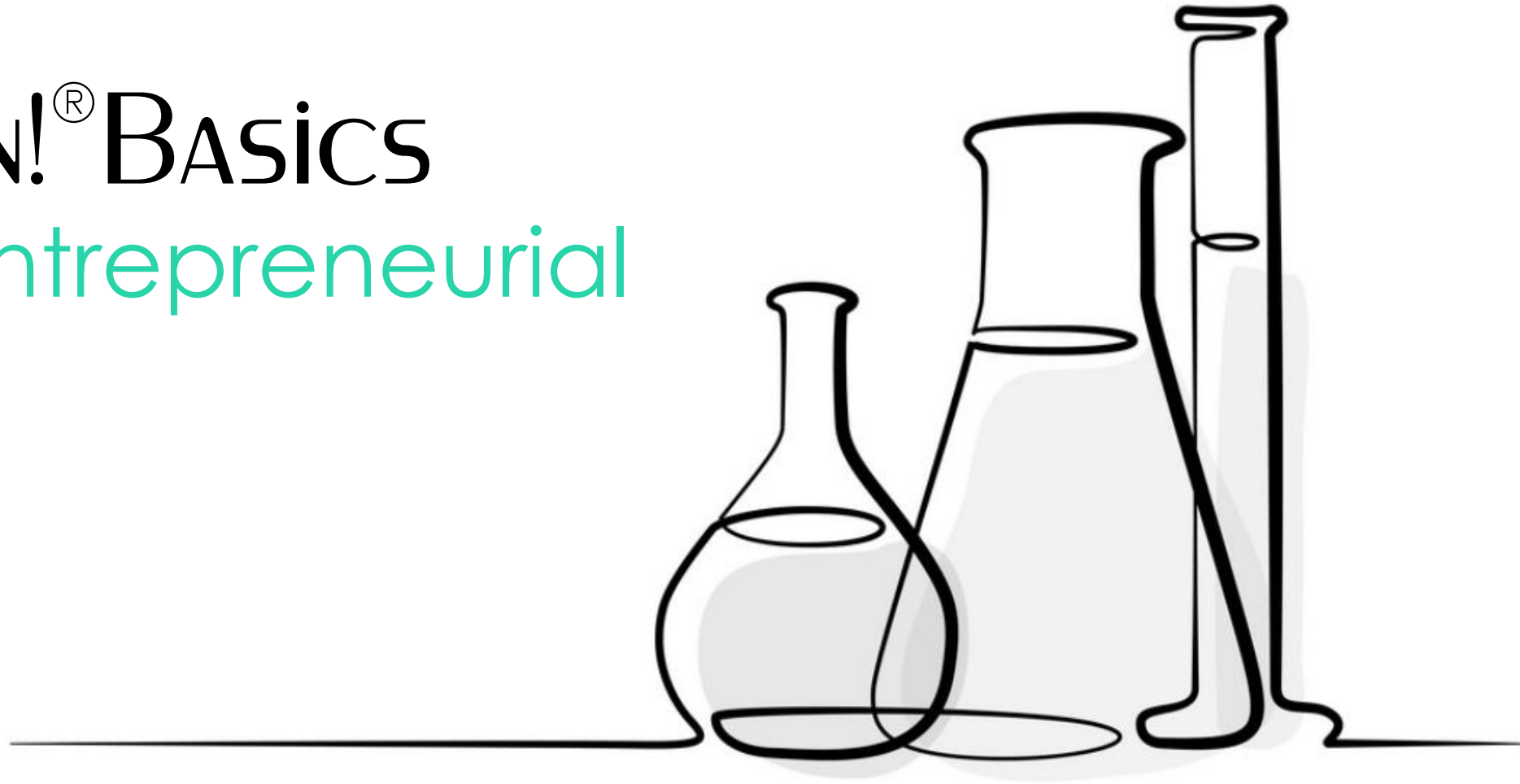
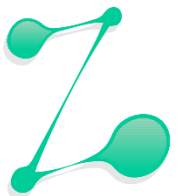


SpotON!® Basics

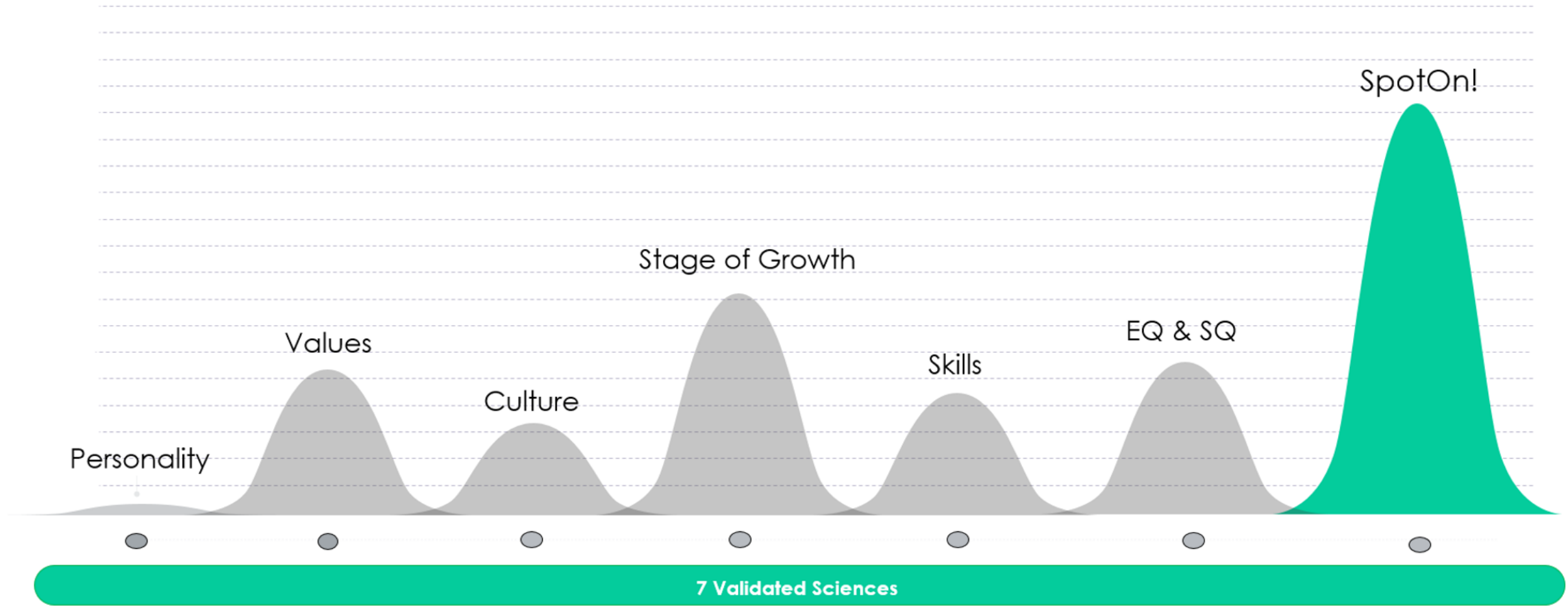
SOG1: Entrepreneurial



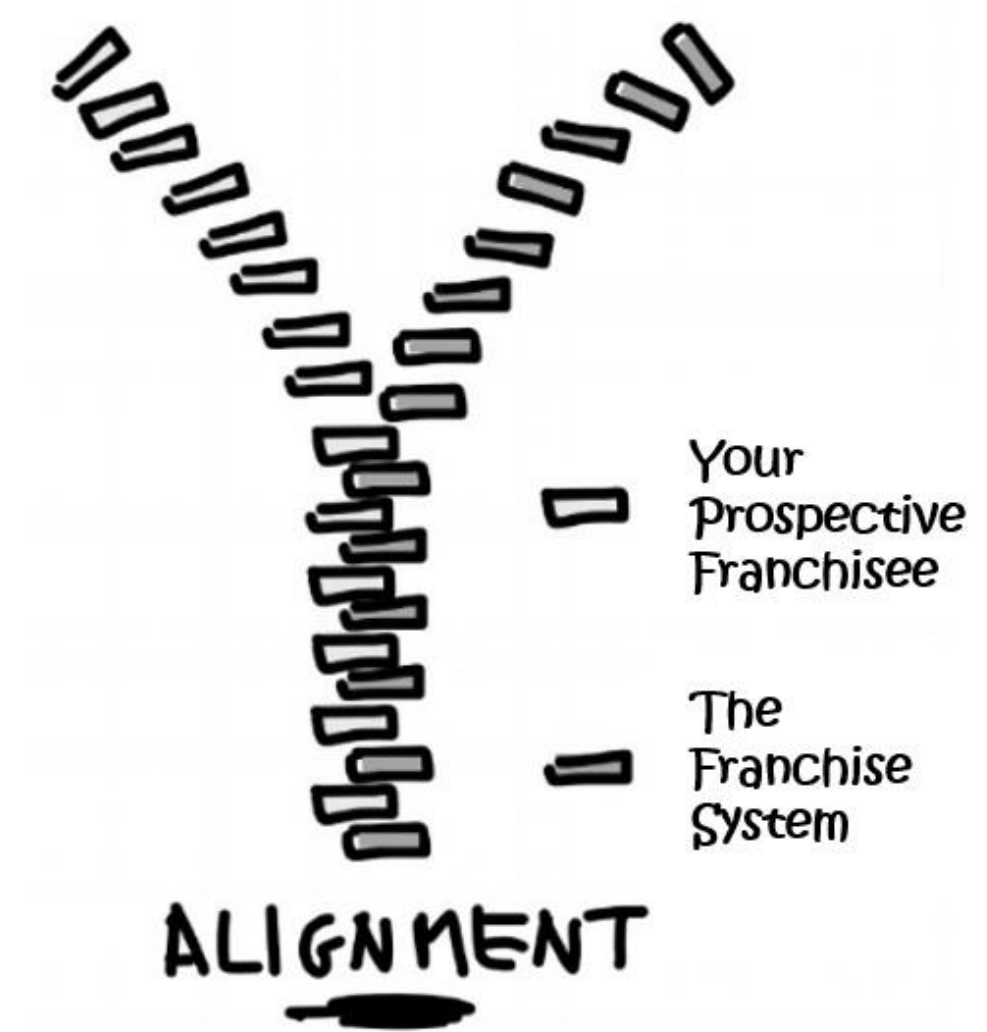
powered by:
ZORAKLEPROFILES.COM



ZORAKLE Profiles META-Analysis



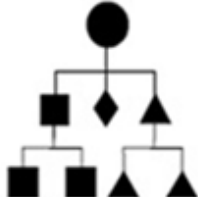
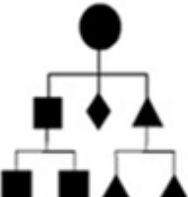
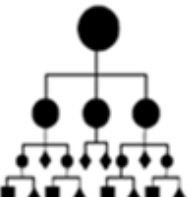
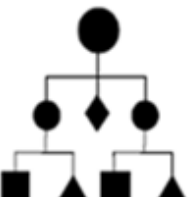
- Shares franchisor's Values
- Fits within franchisor's Stage of Growth
- Fits within franchisor's Culture
- Will comply with franchisor's systems
- Skills complement franchisor's strategic plans



What Determines Franchisee Fit?

SOG1: ENTREPRENEURIAL



	Stage 1 Entrepreneurial	Stage 2 Partnership	Stage 3H Plug & Play	Stage 3G Plug & Play	Stage 4 Empire	Stage 5 Hybrid
Management Style	Direct Supervision	Supervised Supervision	Functional	Functional	Line and Staff	Divisional
Organizational Structure						
Extent of Formal Systems	Minimal	Basic	Systematic	Systematic & Developing	Extensive	Stable & Flexible
Major Strategy	Product	Best Practices	Unit Level Economics	Get Resources to Grow	Dominate Market	Renew & Innovate
Business and Founder						

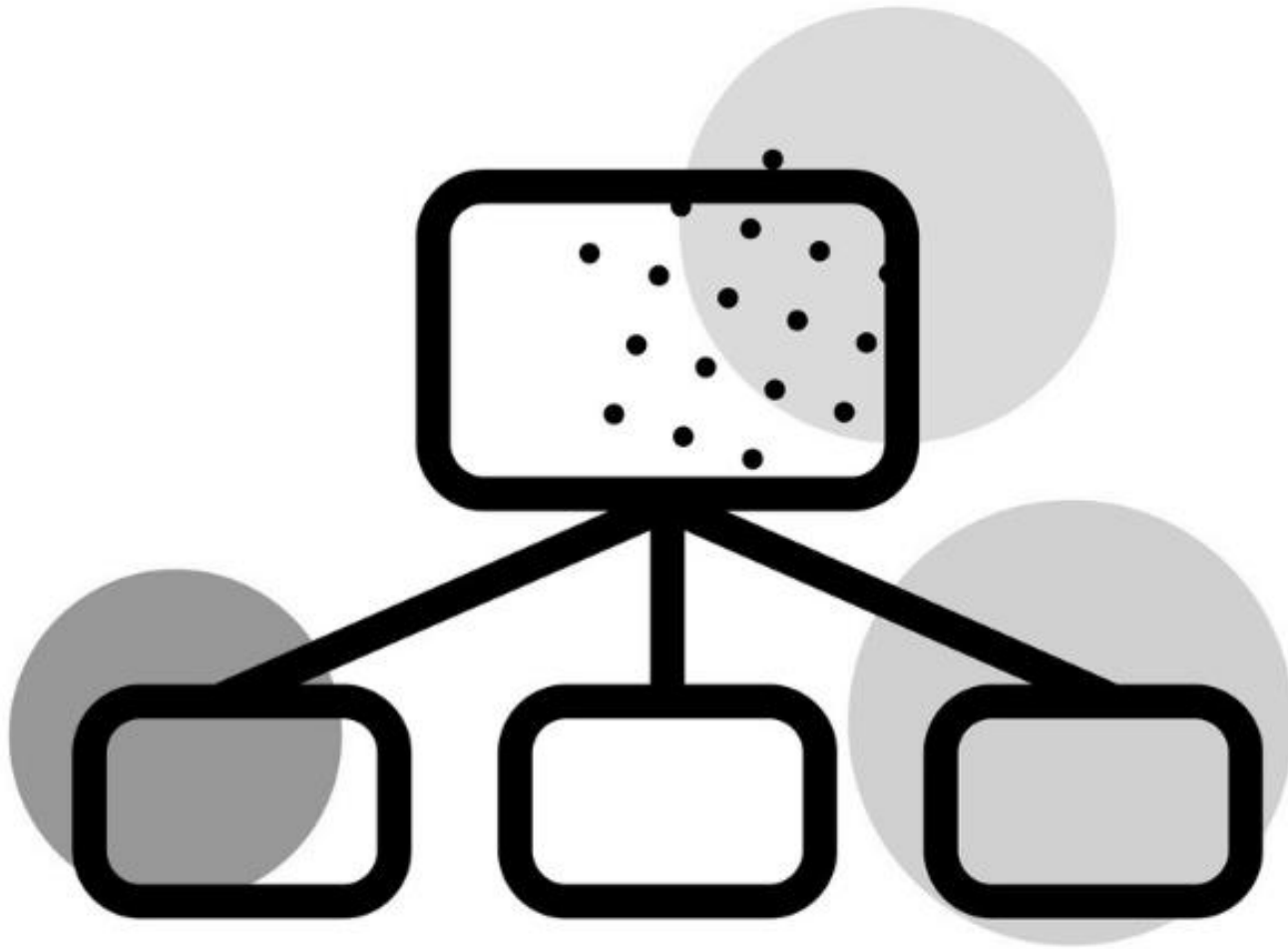
CHARACTERISTICS



Dynamic,
innovative and
entrepreneurial
start-up



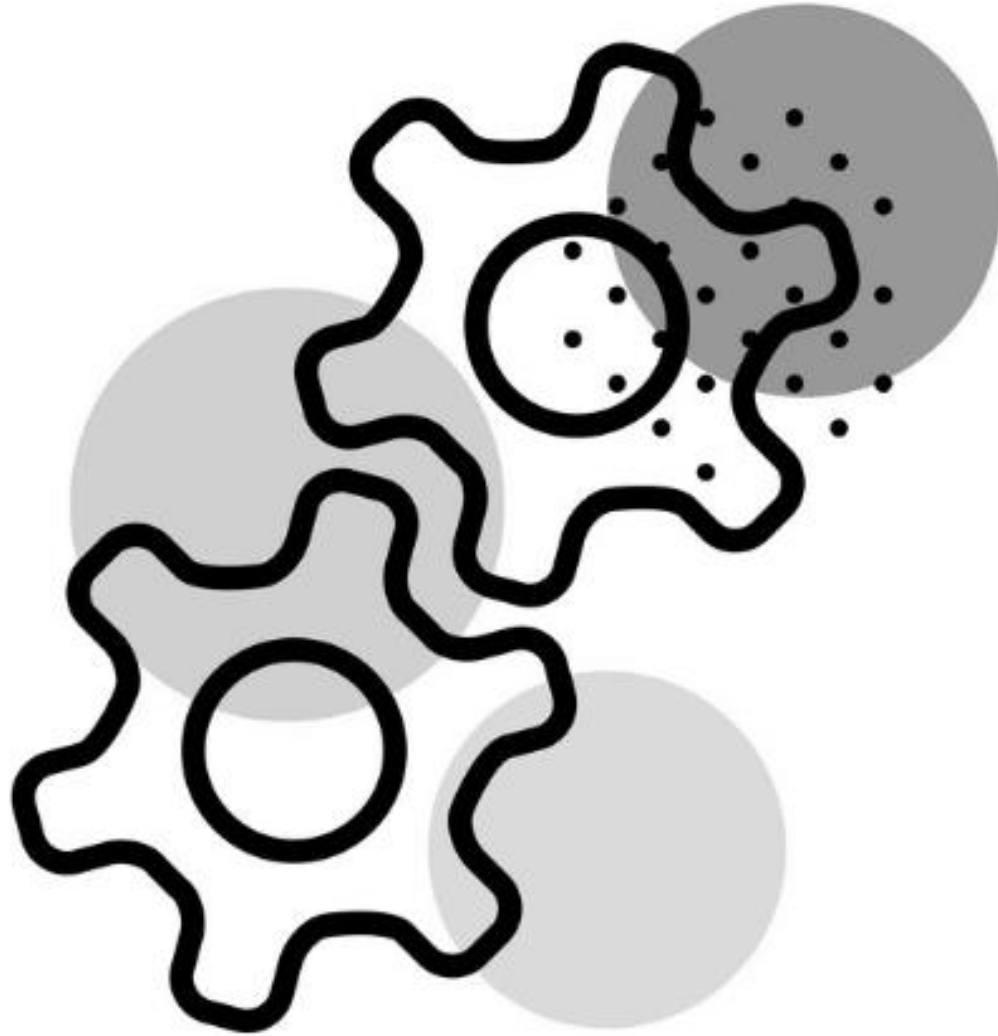
FOUNDER
HANDS ON



Buck stops
HERE
MANAGEMENT

FEW EMPLOYEES
ALL WEARING
MANY HATS





Minimal Formal Systems

MAJOR STRATEGY: THE BETTER WIDGET



- First to market
- Better terms
- Fewer rules
- Say in policies
- Financial rewards

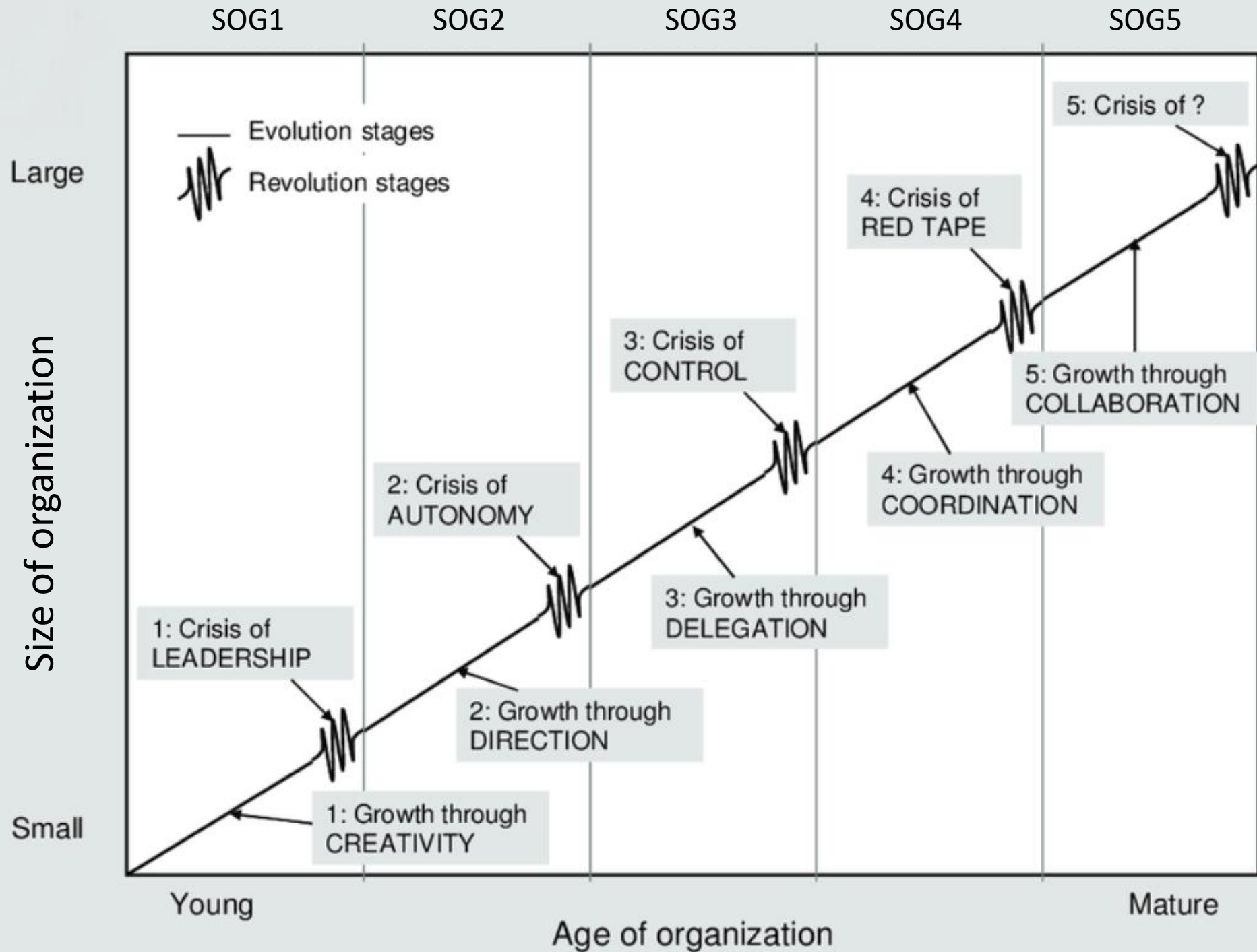


BENEFITS TO FRANCHISEE

- Limited resources and under staffed
- Support and training short
- Dynamic systems causing chaos
- Overly liberal franchise agreements



CHALLENGES



GROWTH THROUGH: CREATIVITY

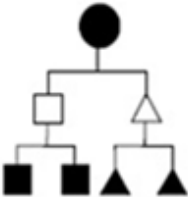
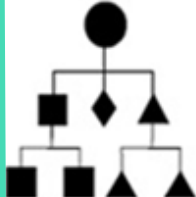
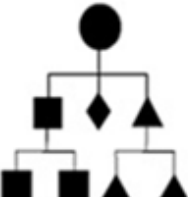
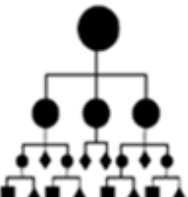
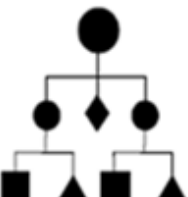




Crisis of Leadership

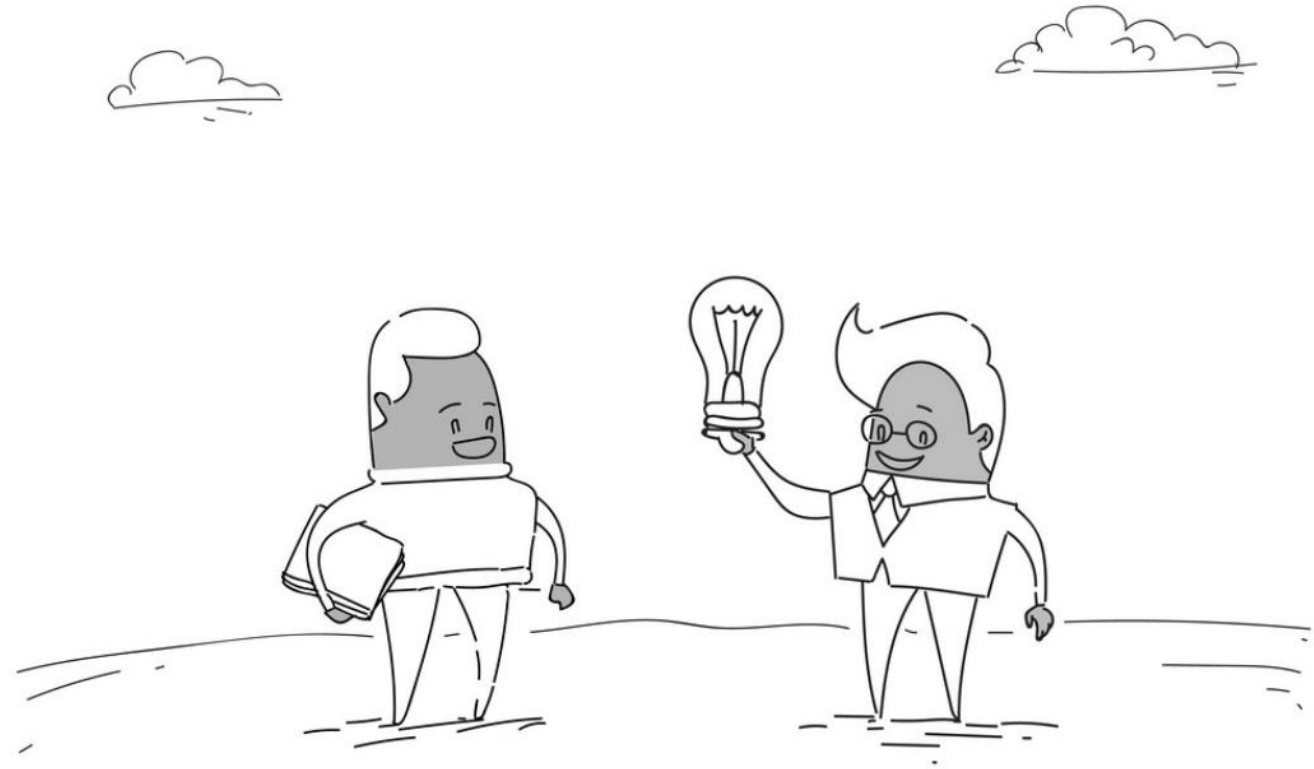
SOG2: PARTNERSHIP

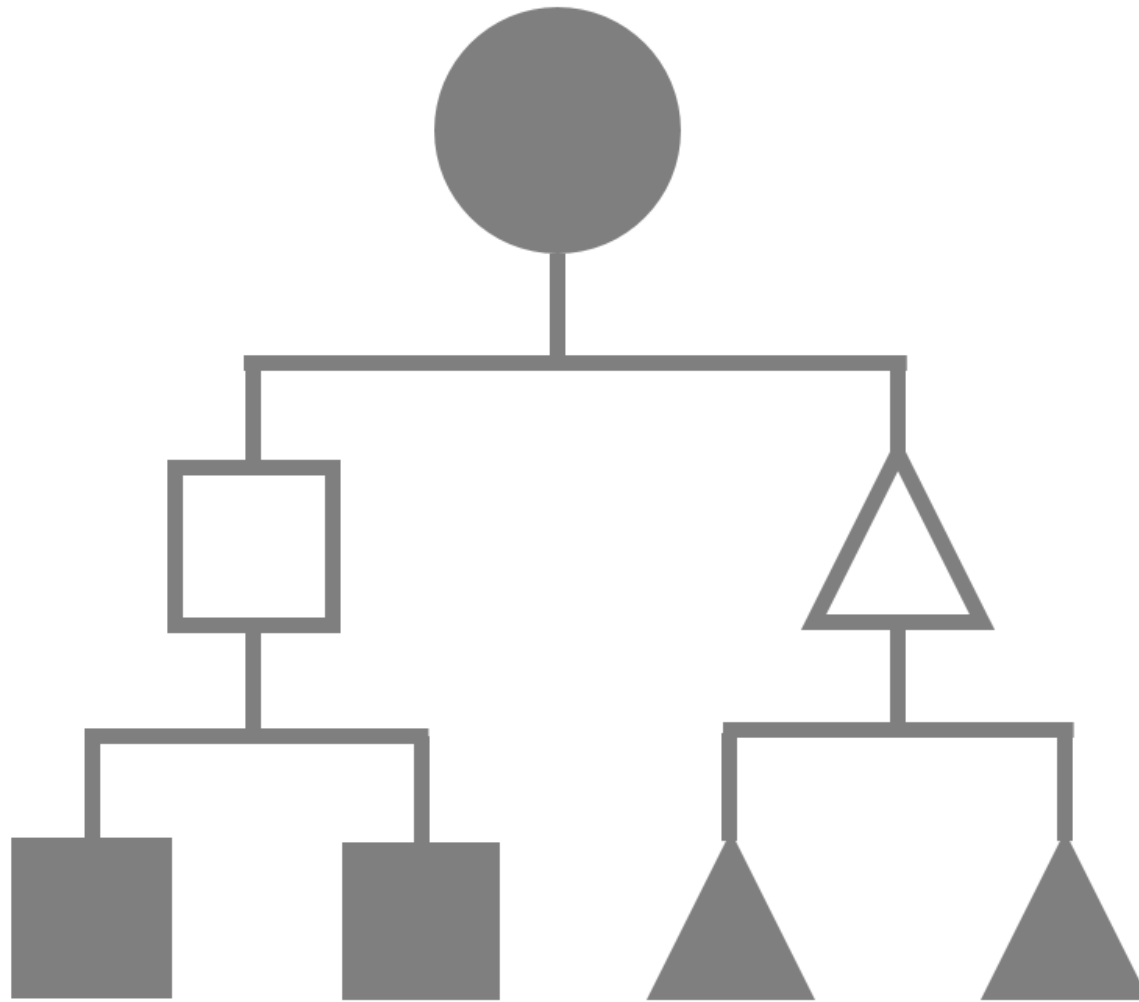


	Stage 1 Entrepreneurial	Stage 2 Partnership	Stage 3H Plug & Play	Stage 3G Plug & Play	Stage 4 Empire	Stage 5 Hybrid
Management Style	Direct Supervision	Supervised Supervision	Functional	Functional	Line and Staff	Divisional
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Major Strategy	Product	Best Practices	Unit Level Economics	Get Resources to Grow	Dominate Market	Renew & Innovate
Business and Founder						

CHARACTERISTICS

A collaborative
organization focused on
establishing best practices

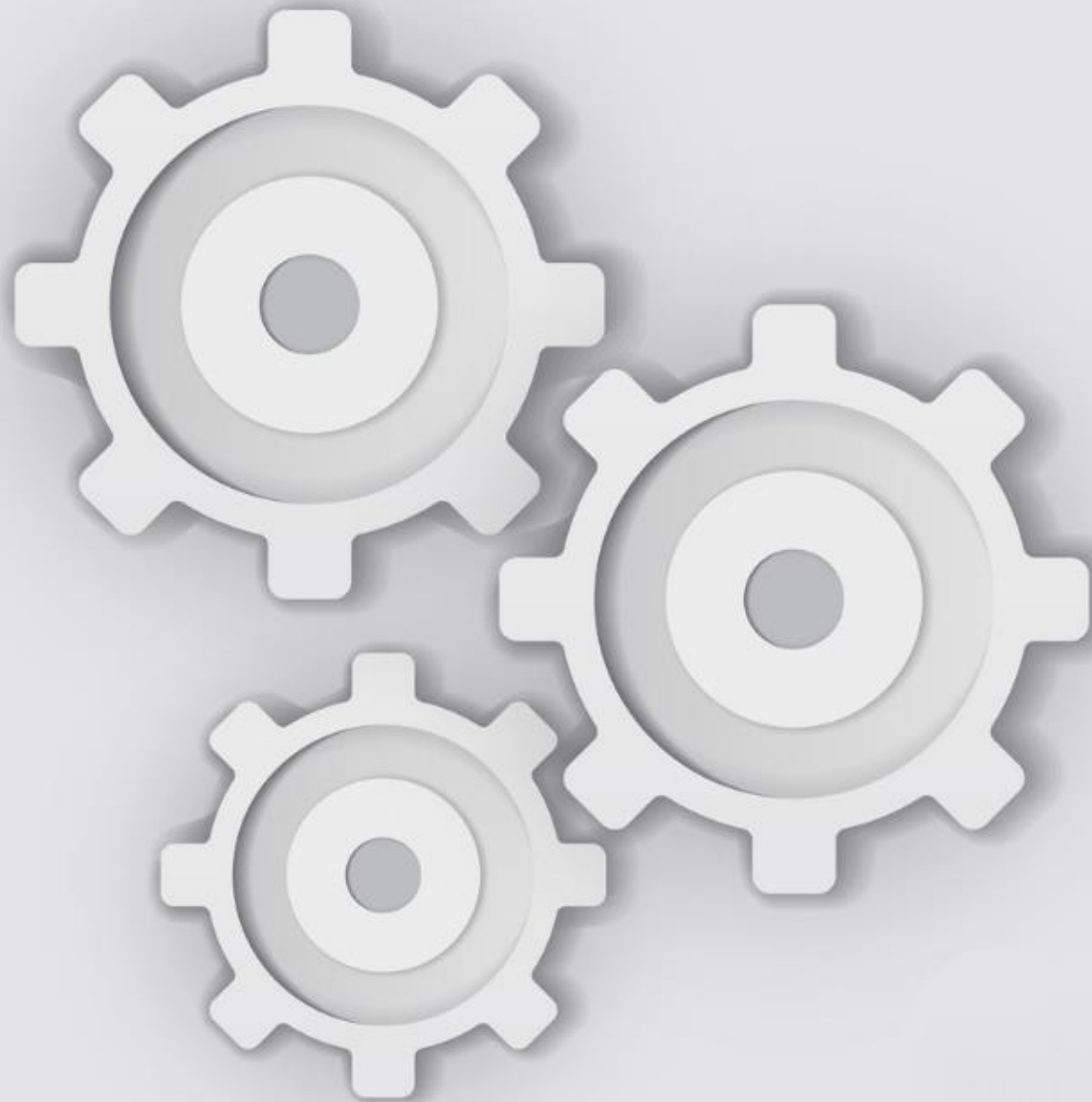




ORGANIZATIONAL STRUCTURE

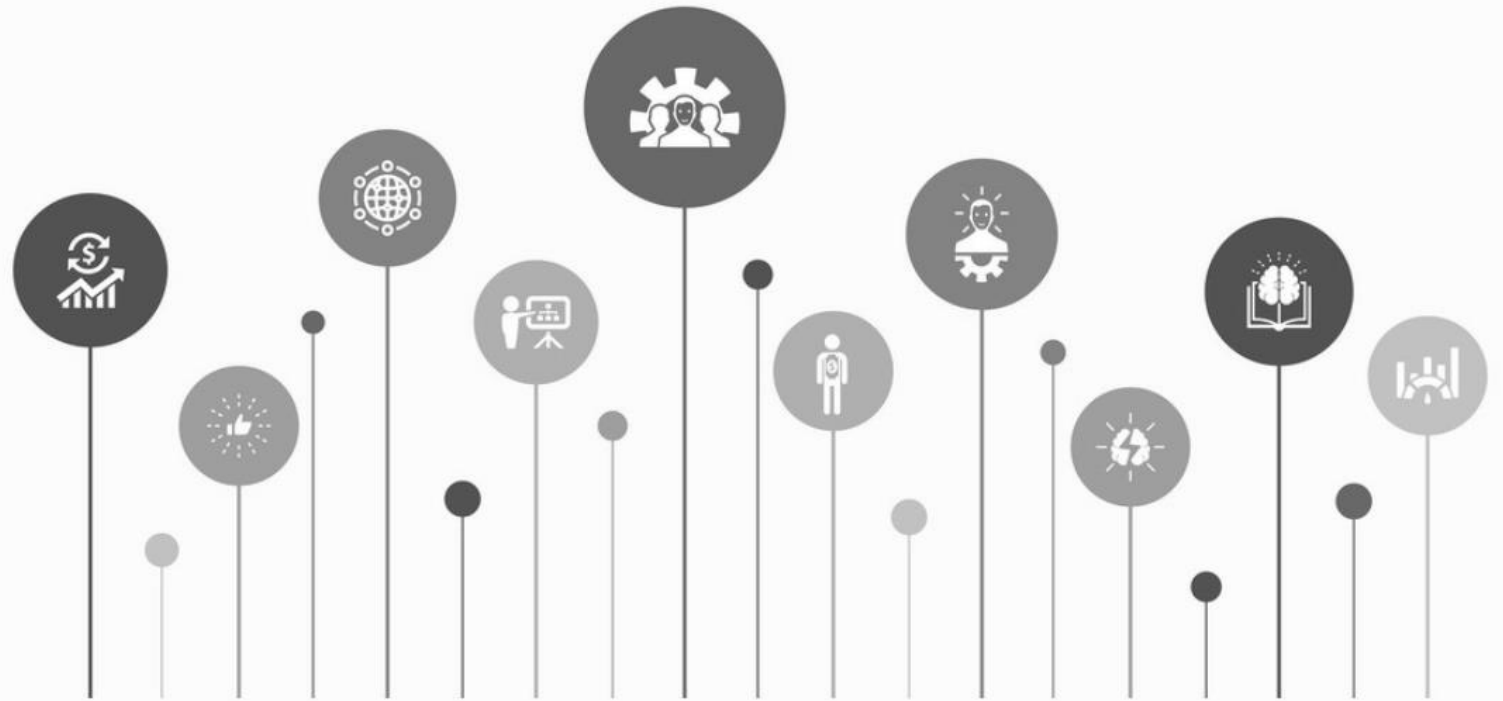
PRODUCT
OFFERING CLEARER





BASIC SYSTEMS

MAJOR STRATEGY: SYSTEMS & BEST PRACTICES

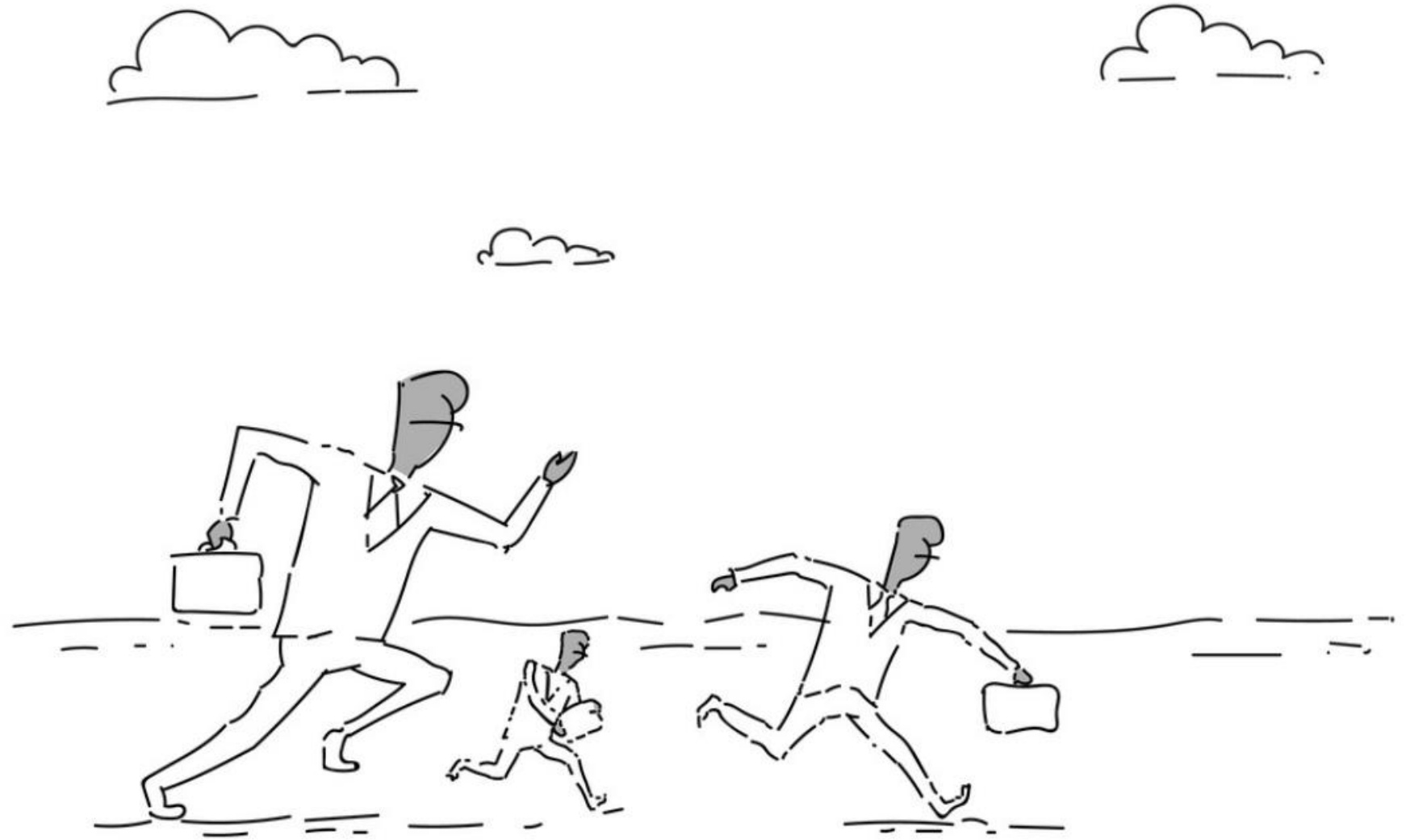


- Market awareness
- Complementary skill sets
- Franchisee-Franchisor Collaboration
- Good territory available

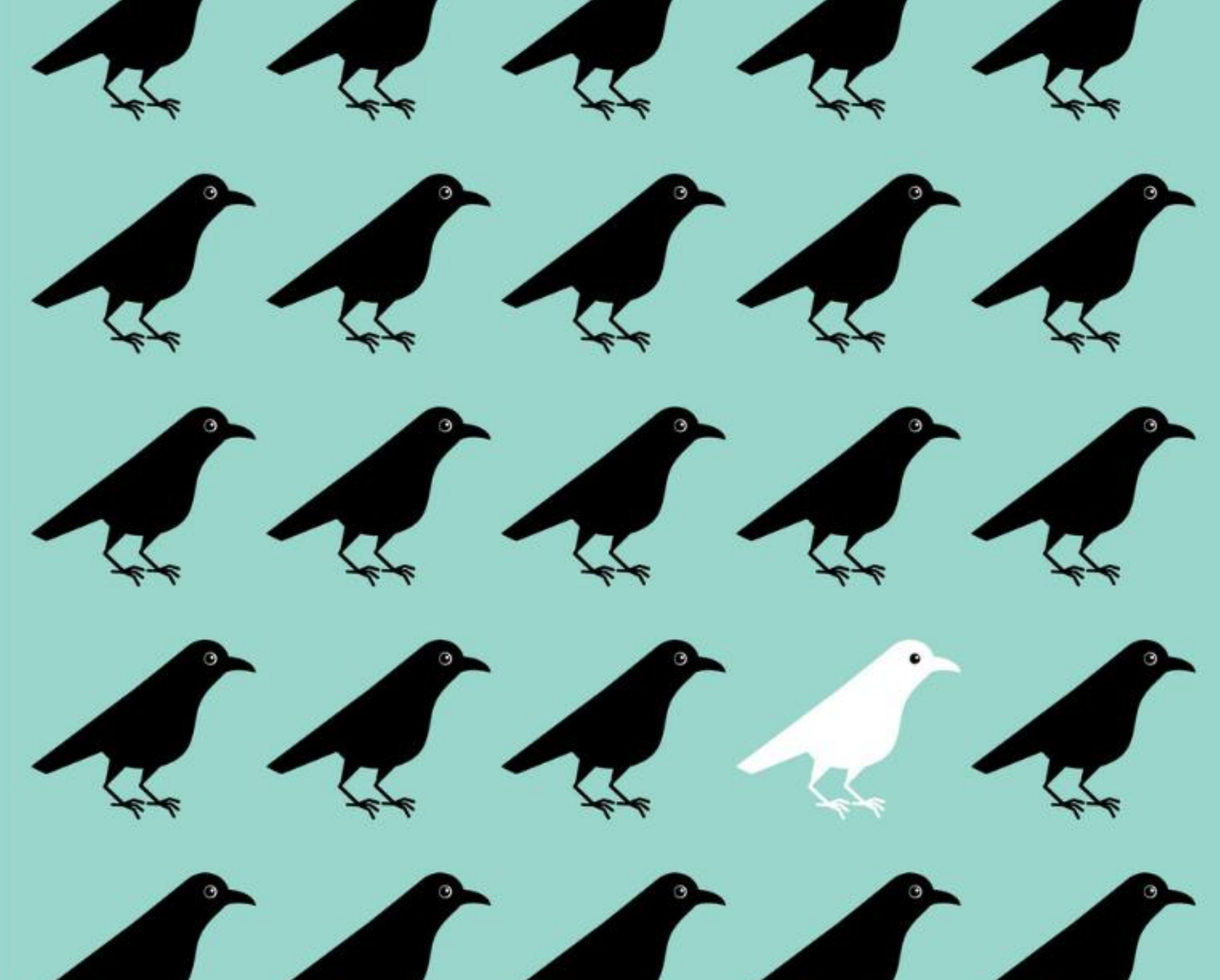


BENEFITS TO FRANCHISEE

CHALLENGES



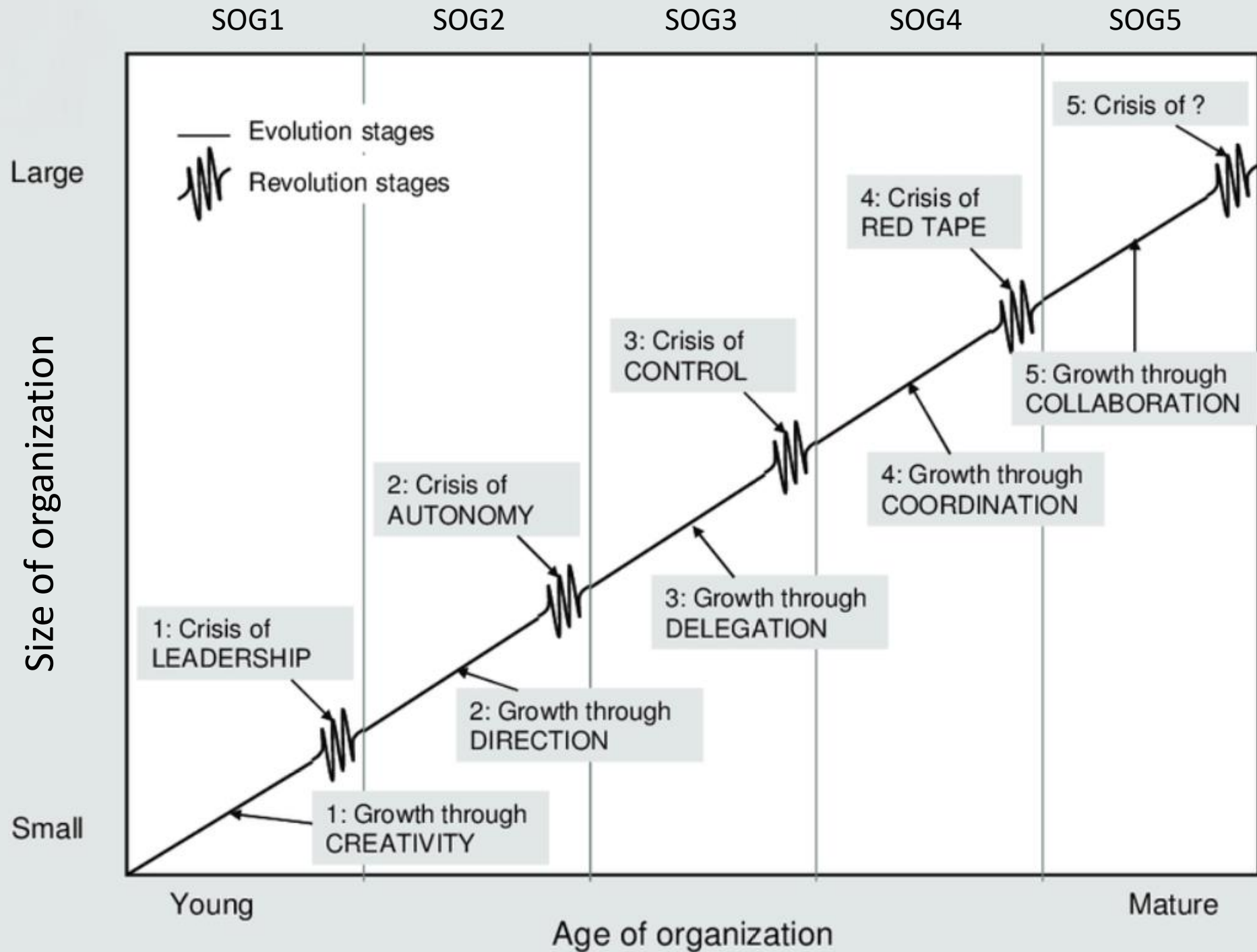
Increased Competition



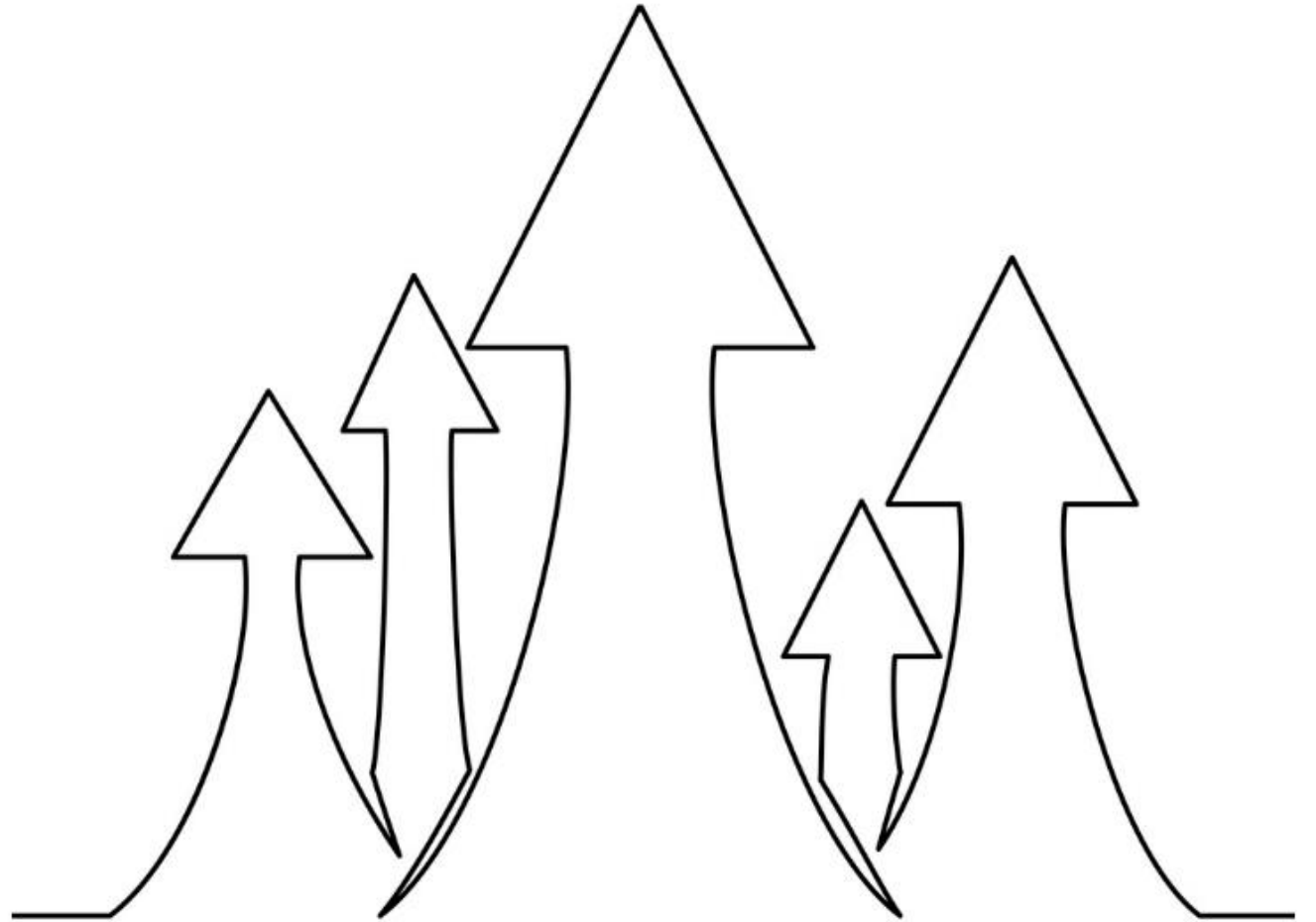
EARLY STAGE
FRANCHISEES
MAY BE HAVING
difficulty
EMBRACING NEW
SYSTEMS

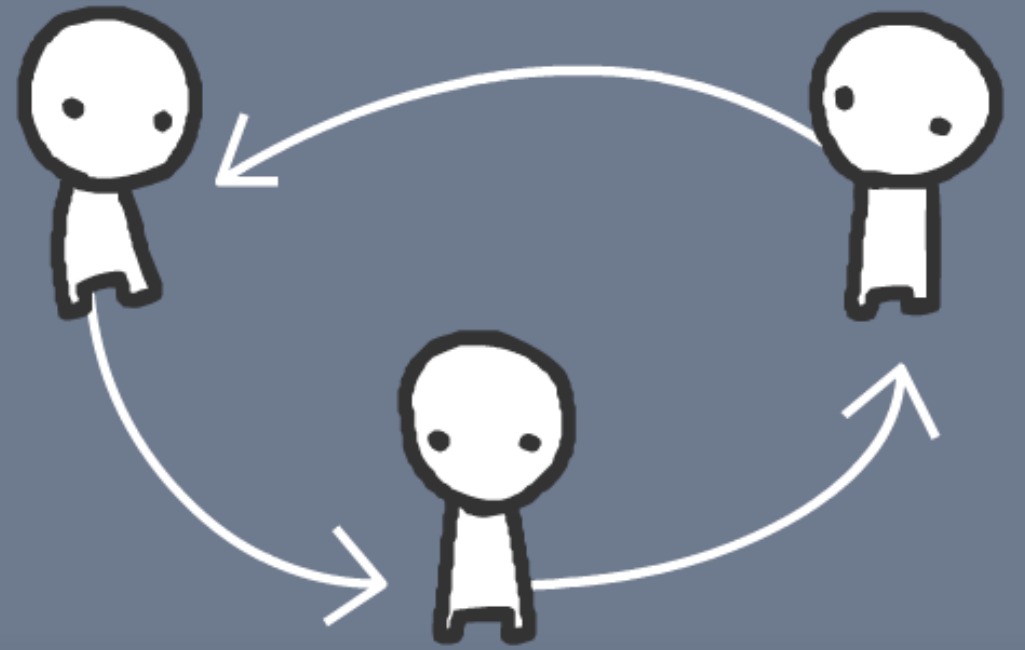
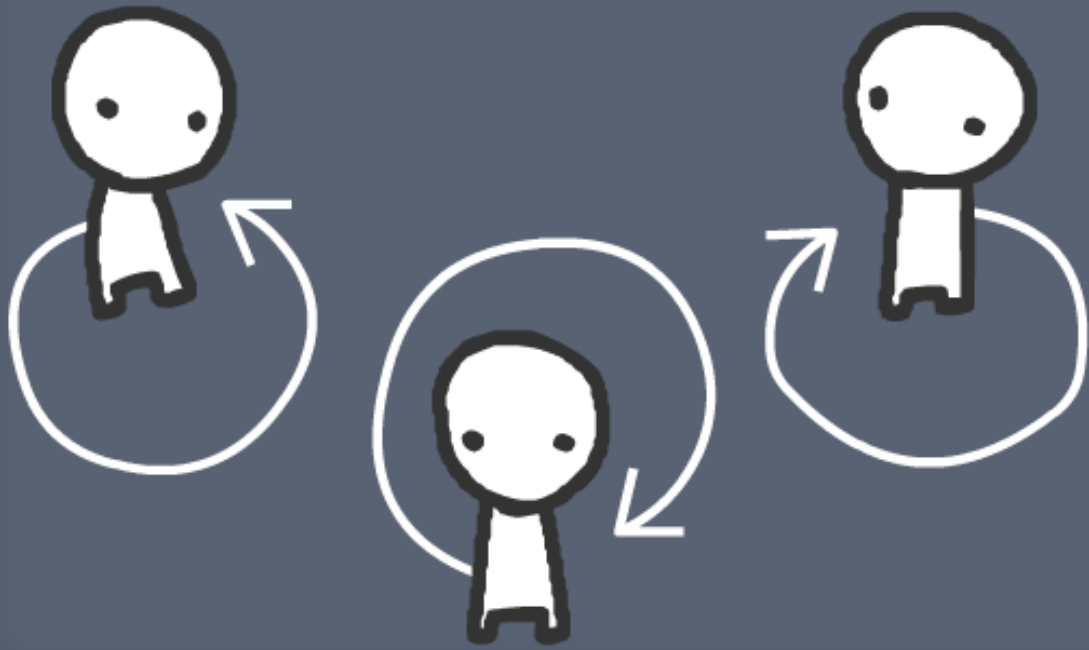
POTENTIAL BUYOUT OR PRIVATE EQUITY





GROWTH THROUGH: DIRECTION





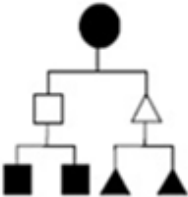
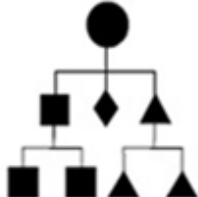
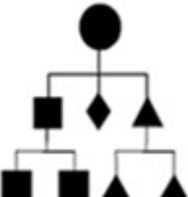
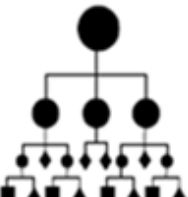
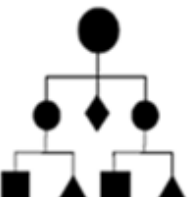
Crisis of: AUTONOMY

EARLY STAGE
FRANCHISEES MAY
NOT BE LONG-
TERM PLAYERS

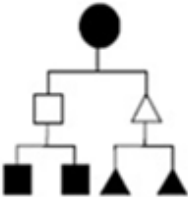
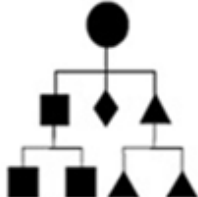
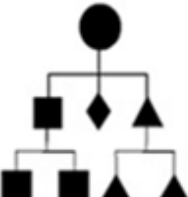
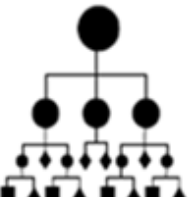
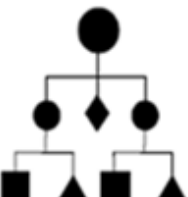


SOG3: Plug & Play

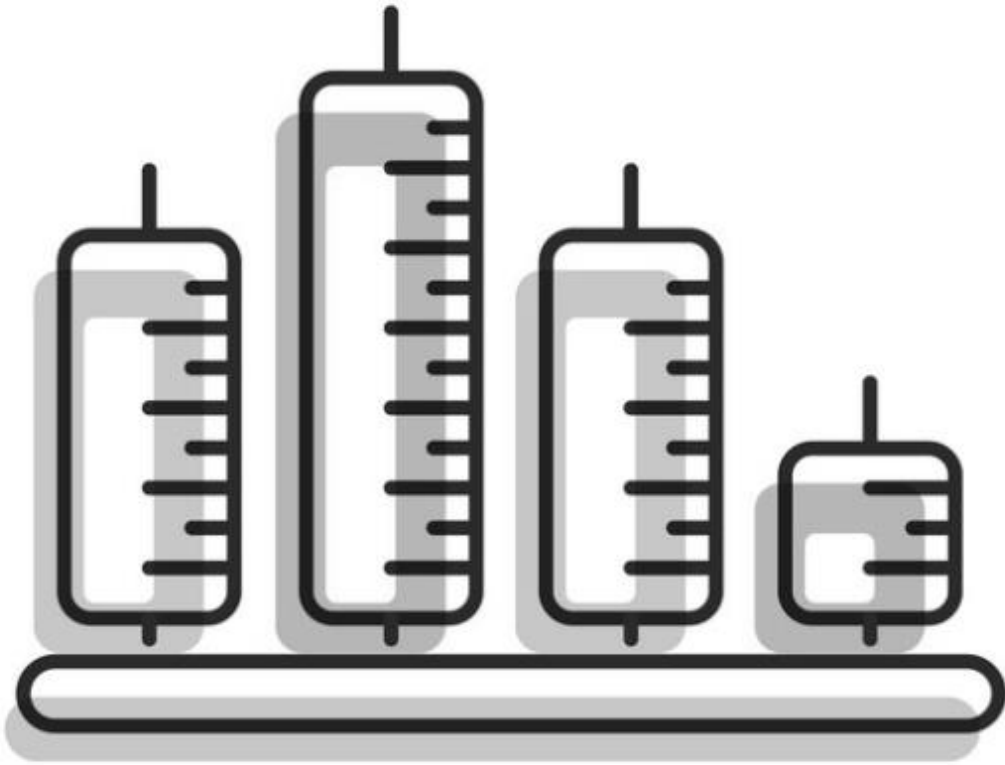


	Stage 1 Entrepreneurial	Stage 2 Partnership	Stage 3H Plug & Play	Stage 3G Plug & Play	Stage 4 Empire	Stage 5 Hybrid
Management Style	Direct Supervision	Supervised Supervision	Functional	Functional	Line and Staff	Divisional
Organizational Structure						
Extent of Formal Systems	Minimal	Basic	Systematic	Systematic & Developing	Extensive	Stable & Flexible
Major Strategy	Product	Best Practices	Unit Level Economics	Get Resources to Grow	Dominate Market	Renew & Innovate
Business and Founder						

CHARACTERISTICS

	Stage 1 Entrepreneurial	Stage 2 Partnership	Stage 3H Plug & Play	Stage 3G Plug & Play	Stage 4 Empire	Stage 5 Hybrid
Management Style	Direct Supervision	Supervised Supervision	Functional	Functional	Line and Staff	Divisional
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Major Strategy	Product	Best Practices	Unit Level Economics	Get Resources to Grow	Dominate Market	Renew & Innovate
Business and Founder						

CHARACTERISTICS

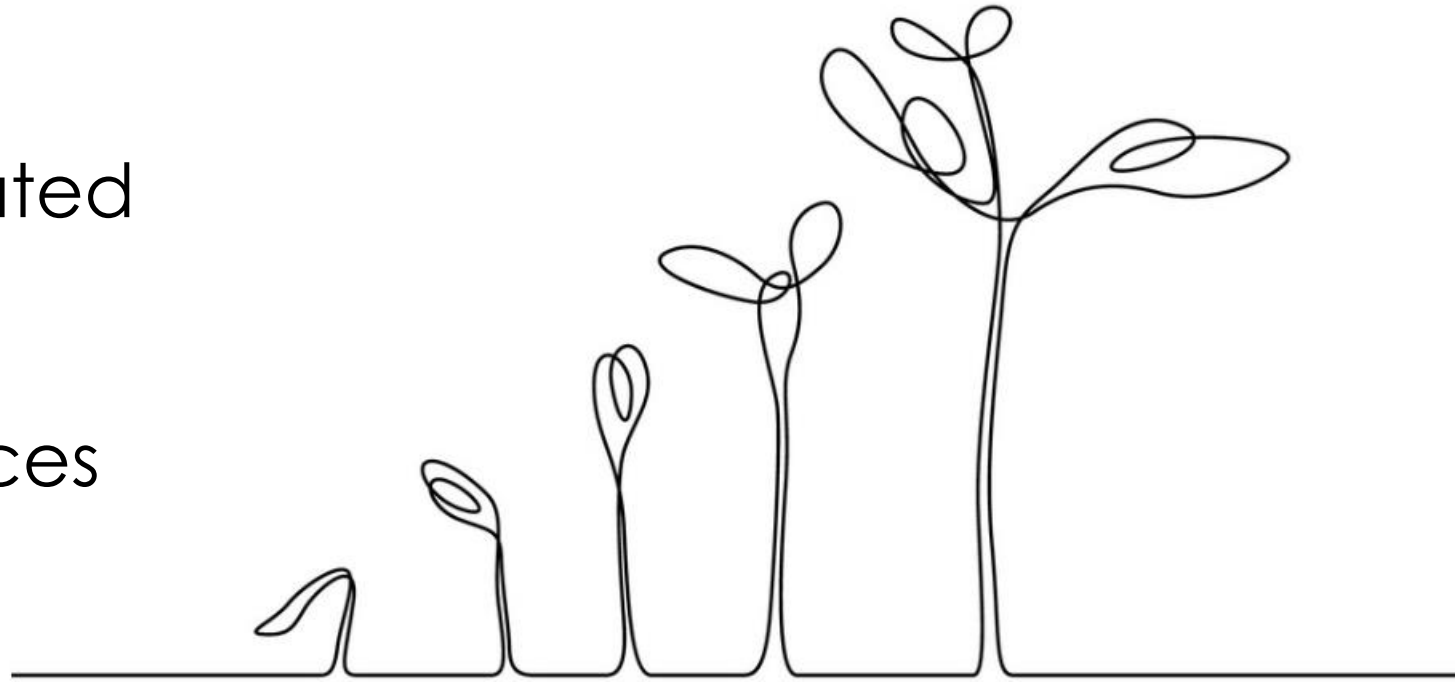


- Systems replicable
- Clear value proposition
- Recruit, train and support strategy

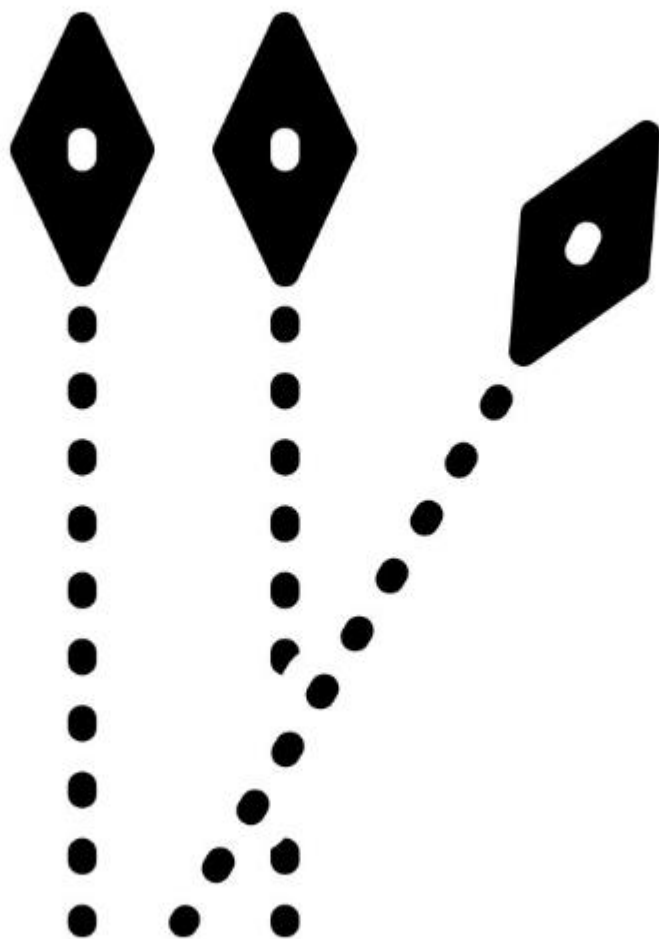
MAJOR STRATEGY:
FRANCHISEE UNIT
LEVEL ECONOMICS



- Market not overly saturated
- Faster Ramp-up
- Proven best practices
- Leveragability of resources



BENEFITS TO FRANCHISEE



PRUNING offers
OPPORTUNITY

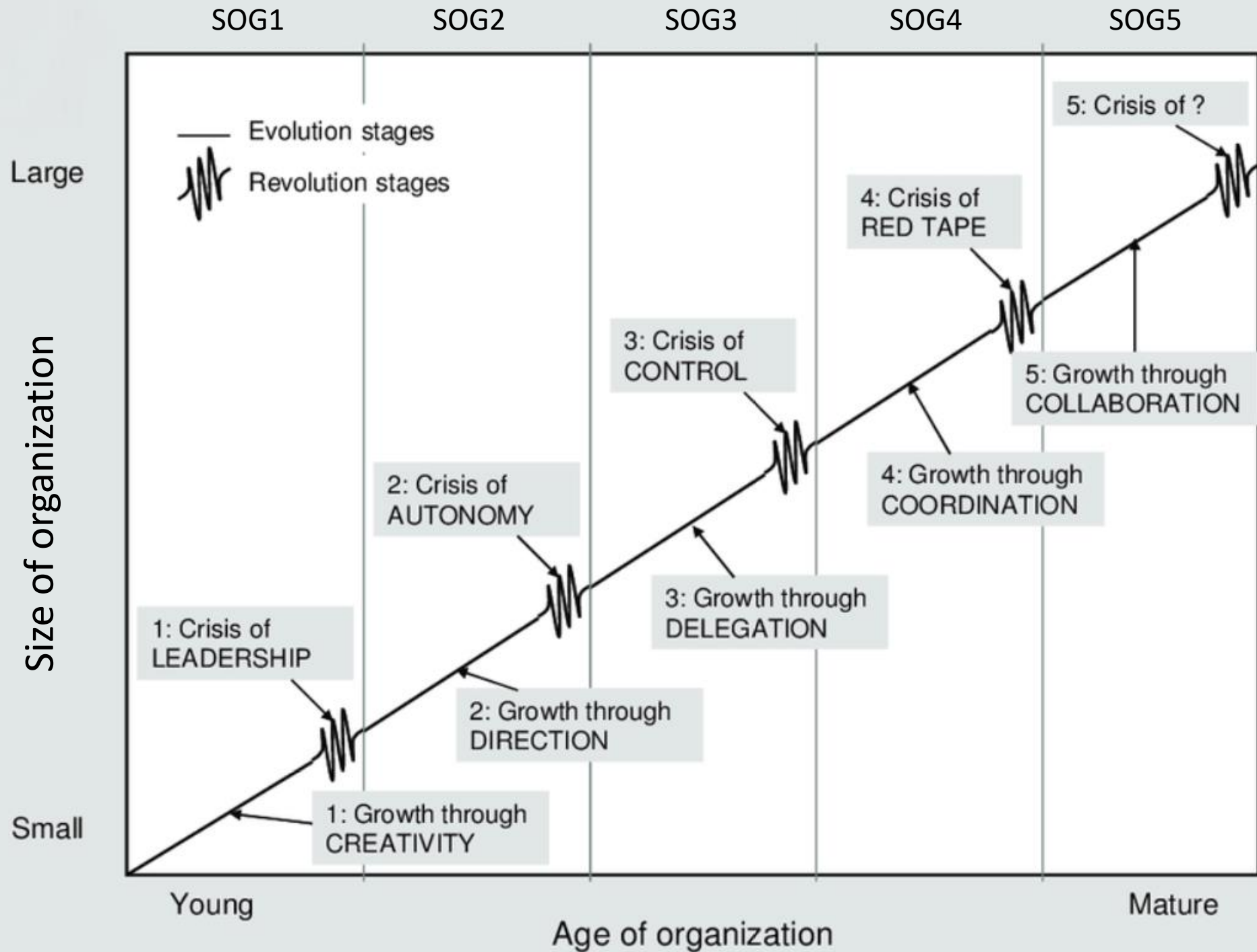
- Retention problems
- Franchisee validation issues
- Increased compliance requirements
- Increased costs



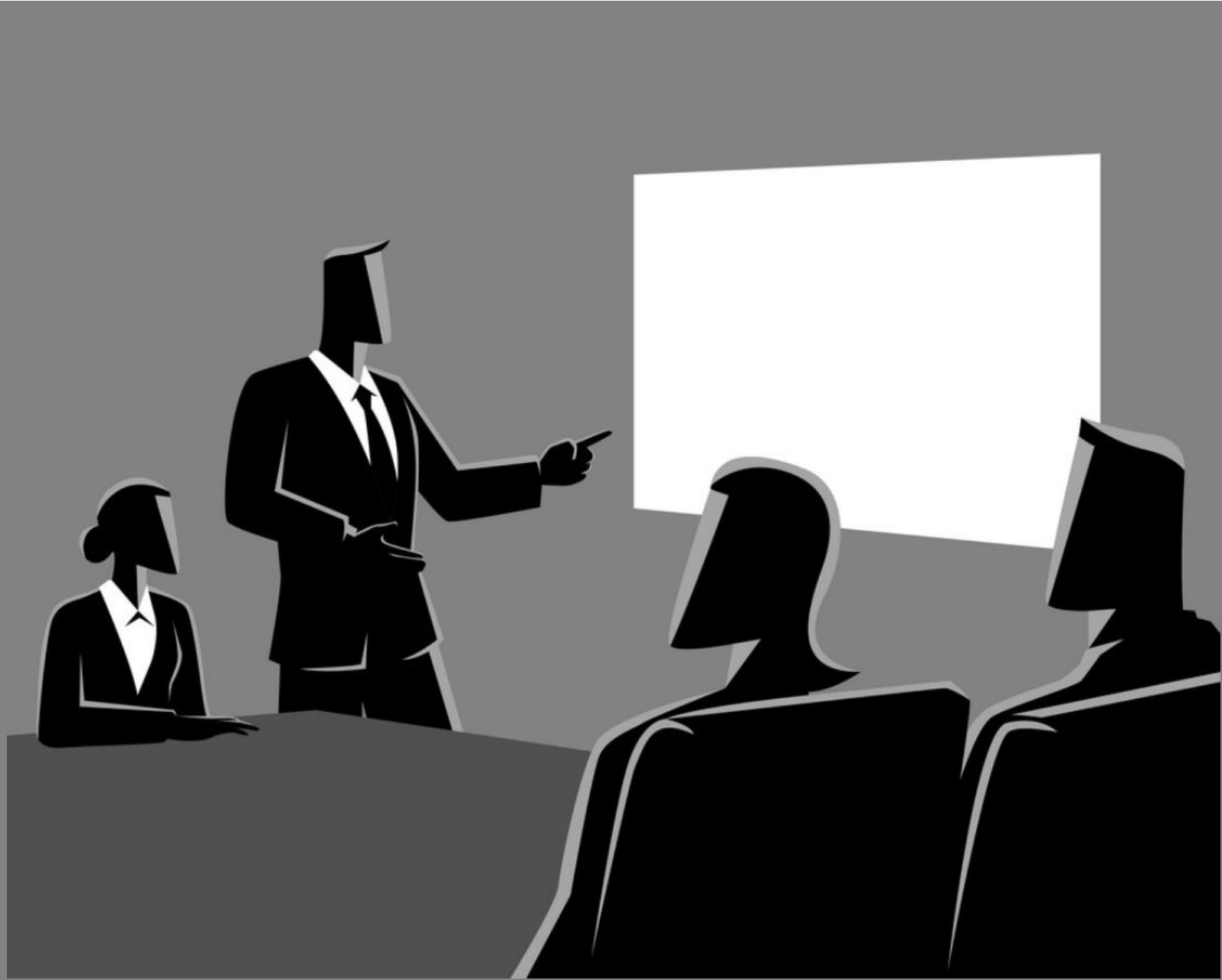
CHALLENGES

INTERDEPENDENCY
SHIFTING TO
DEPENDENCY





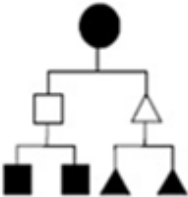
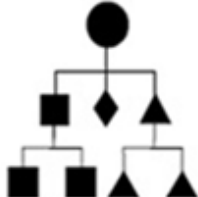
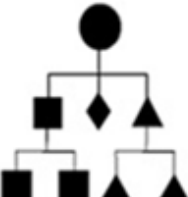
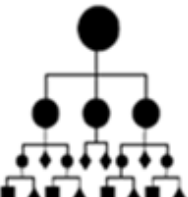
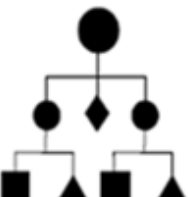
GROWTH THROUGH: DELEGATION





SOG4: EMPIRE



	Stage 1 Entrepreneurial	Stage 2 Partnership	Stage 3H Plug & Play	Stage 3G Plug & Play	Stage 4 Empire	Stage 5 Hybrid
Management Style	Direct Supervision	Supervised Supervision	Functional	Functional	Line and Staff	Divisional
Organizational Structure						
Extent of Formal Systems	Minimal	Basic	Systematic	Systematic & Developing	Extensive	Stable & Flexible
Major Strategy	Product	Best Practices	Unit Level Economics	Get Resources to Grow	Dominate Market	Renew & Innovate
Business and Founder						

CHARACTERISTICS



EXTENSIVE SYSTEMS

EXCLUSIVE
SUPPLIERS.

NATIONAL
ACCOUNTS.

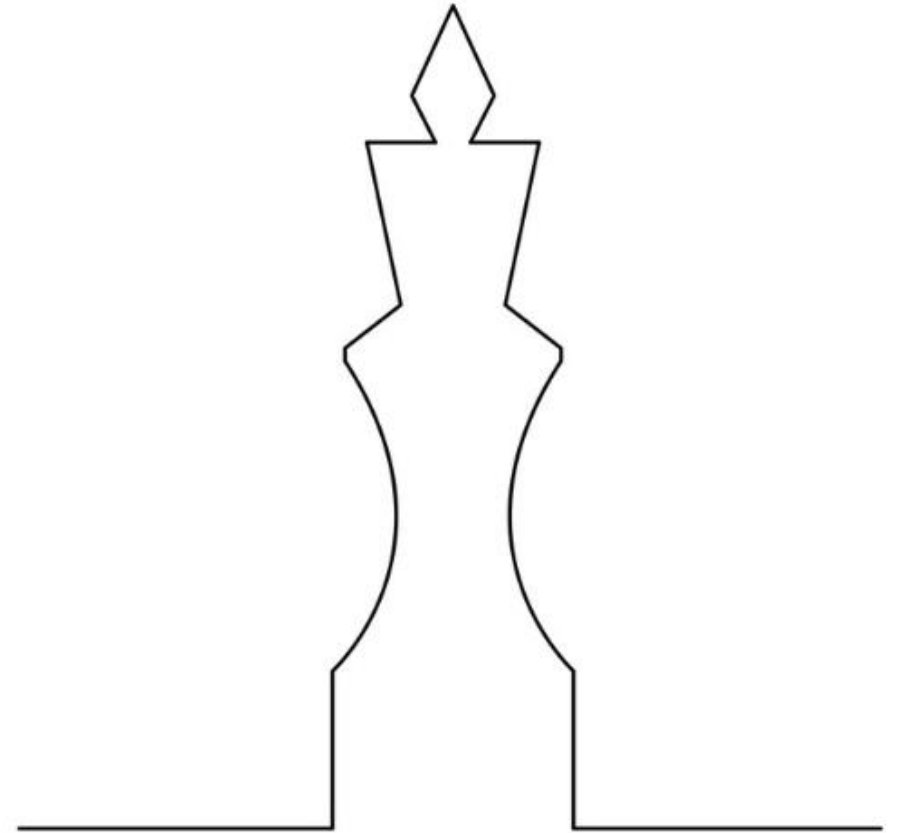
INTERNATIONAL
PRESENCE.



MAJOR STRATEGY:
GROWING THROUGH
MERGERS, ACQUISITIONS
AND CONVERSIONS.

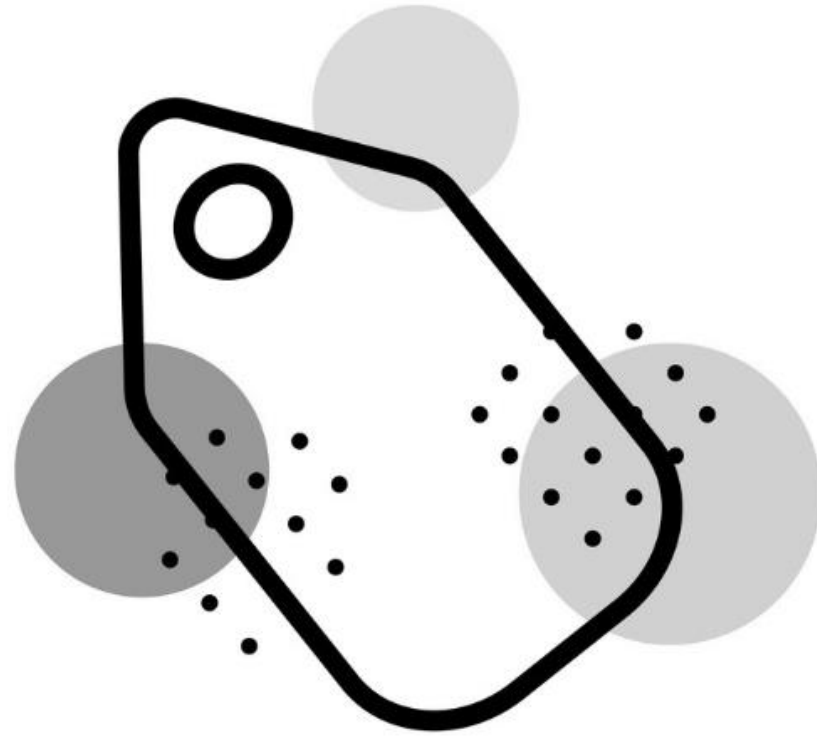


- Historically proven systems
- Strong support and training
- Merger and acquisition

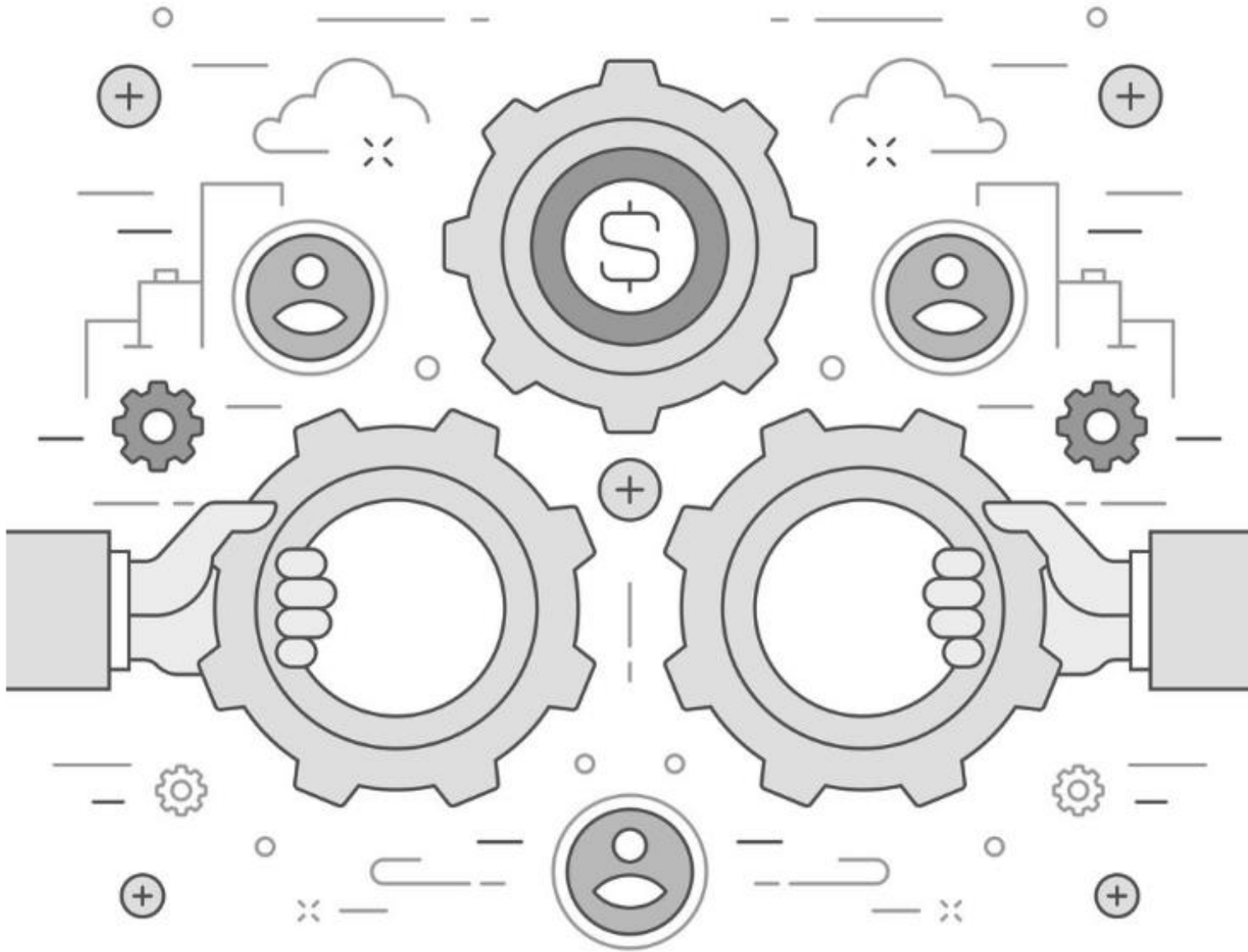


BENEFITS TO FRANCHISEE

STRONG BRAND
EQUITY



BRAND



LEVERAGability
of RESOURCES

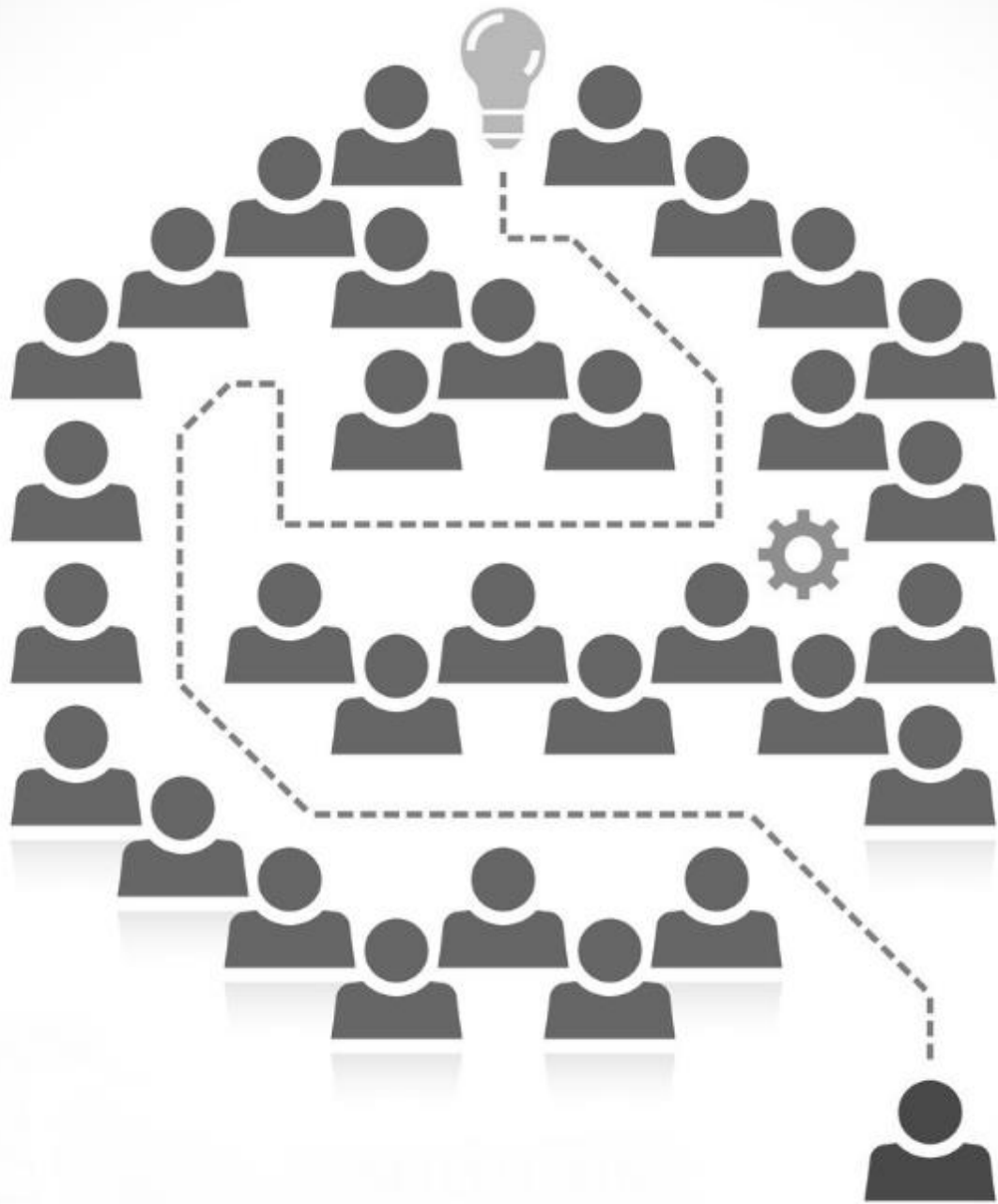
- Poor shareholder value and franchisor profitability
- Poor franchisee-franchisor communication
- Becoming complacent



CHALLENGES



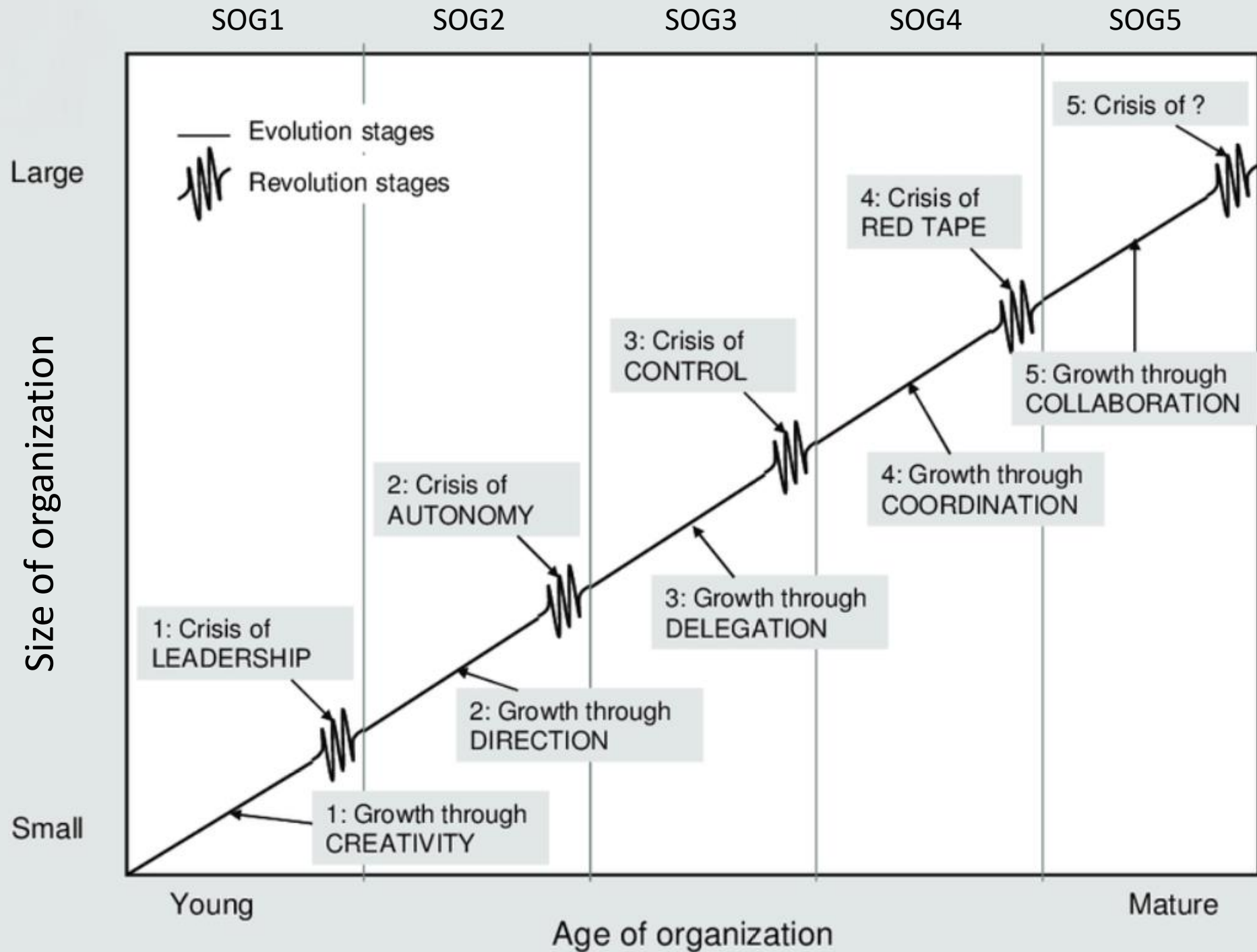
BUREAUCRACY, lack of agility



DISCONNECT FROM END-USER



FRANCHISEE
MORE OF A
TECHNICIAN;
NOT A HUNTER.



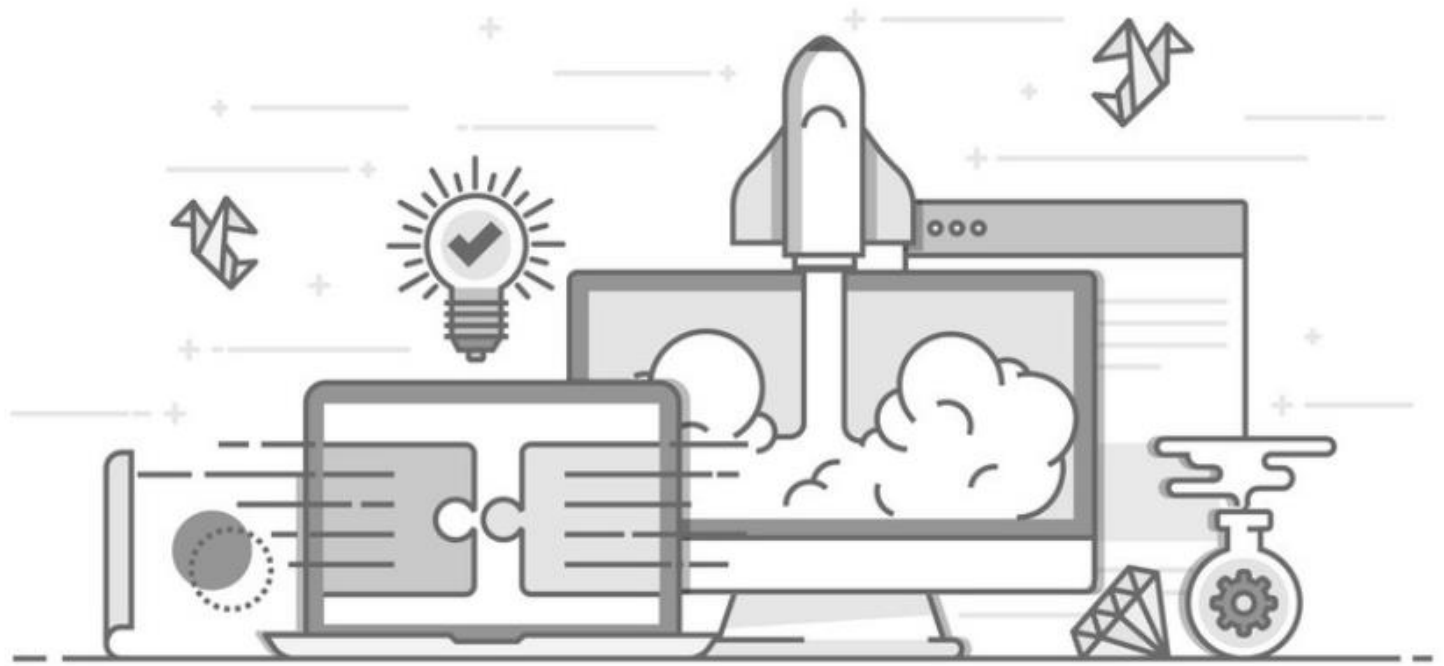
GROWTH THROUGH: COORDINATION

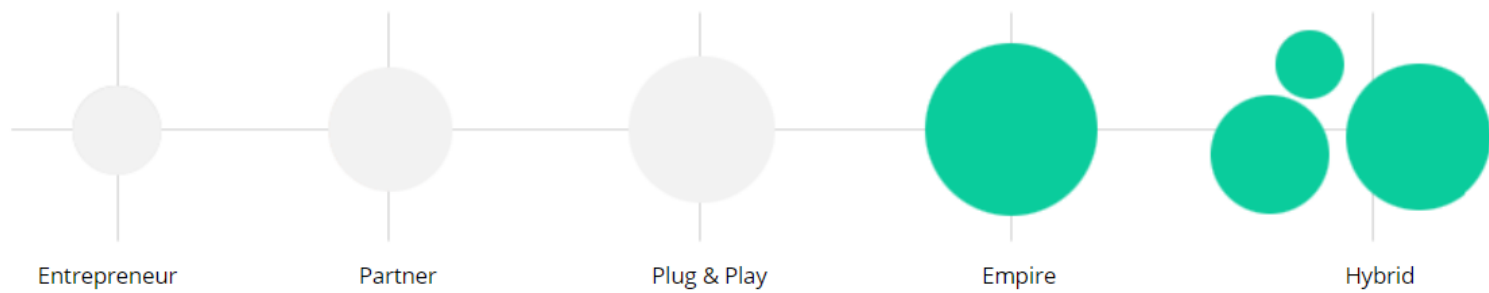




Crisis of: Red Tape

SOG5: Hybrid





BREAKING INTO
SEPARATE
BUSINESSES

LATEST NEWS



7.2.2020

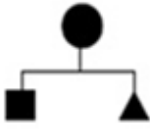
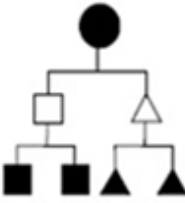
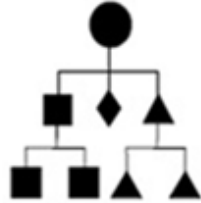
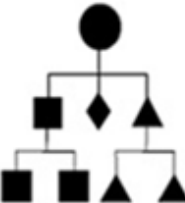
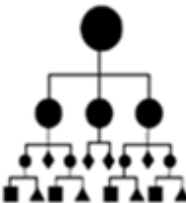
Neighborly® Acquires
HouseMaster®



2.25.2020

Neighborly® Acquires
Dryer Vent Wizard

UMBRELLA
BRAND

	Stage 1 Entrepreneurial	Stage 2 Partnership	Stage 3H Plug & Play	Stage 3G Plug & Play	Stage 4 Empire	Stage 5 Hybrid
Management Style	Direct Supervision	Supervised Supervision	Functional	Functional	Line and Staff	Divisional
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Major Strategy	Product	Best Practices	Unit Level Economics	Get Resources to Grow	Dominate Market	Renew & Innovate
Business and Founder						

CHARACTERISTICS



RENEW. REFRESH. INNOVATE.

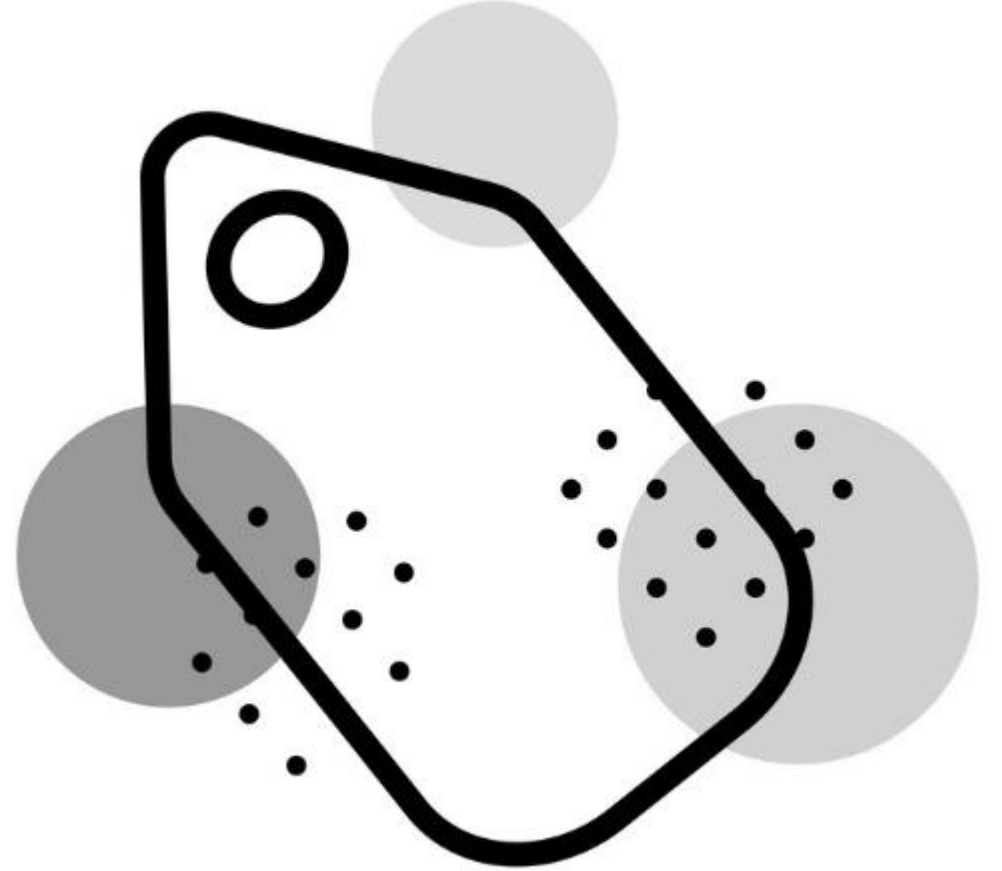


- Leverage relationships
- Leverage resources
- Leverage history

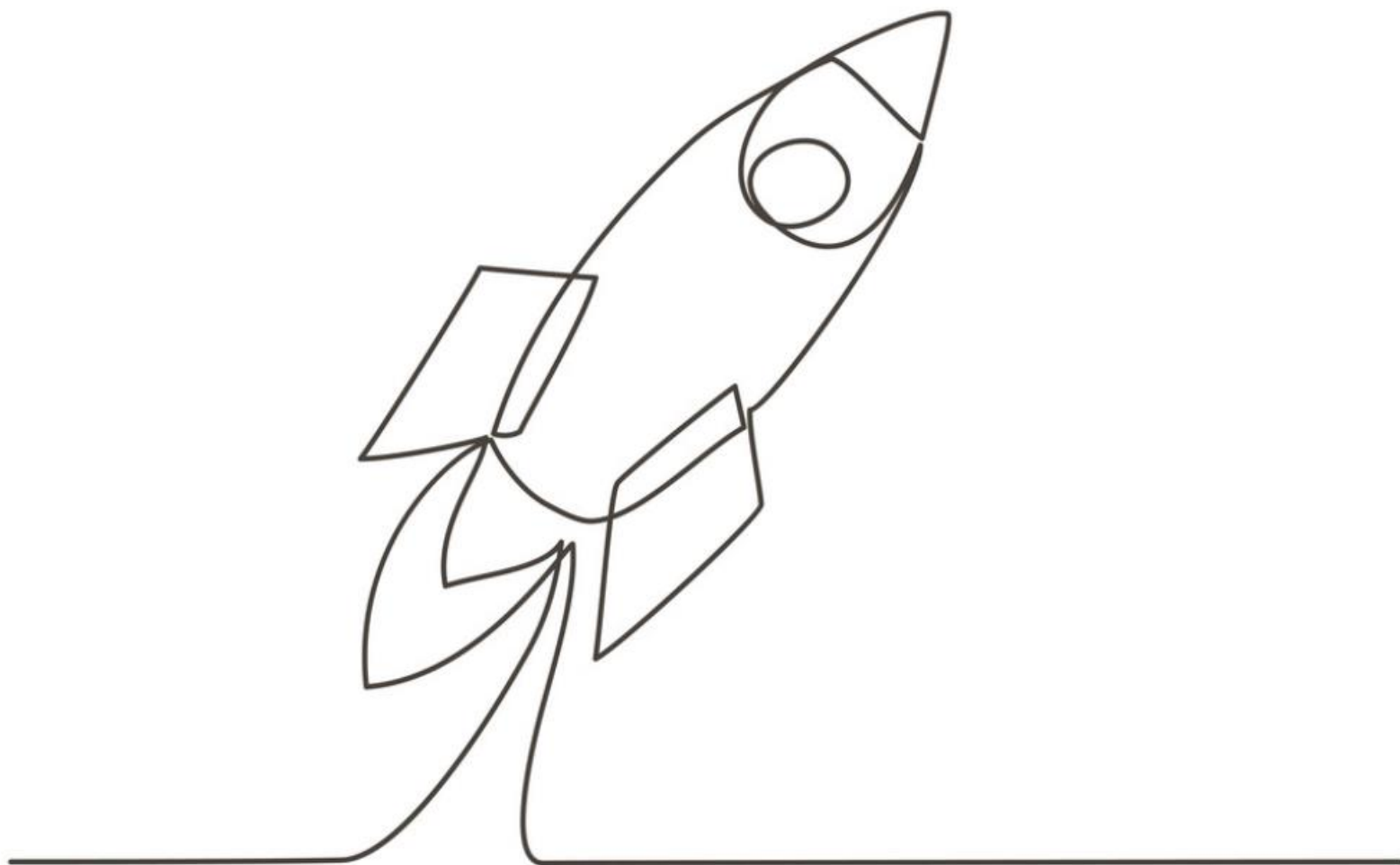
MAJOR STRATEGY:
RENEW AND CREATE AN
INTRAPRENUERIAL
ENVIRONMENT.



- Brand awareness
- Strong support
- Flexible systems
- Leveragability of resources



BENEFITS TO FRANCHISEE

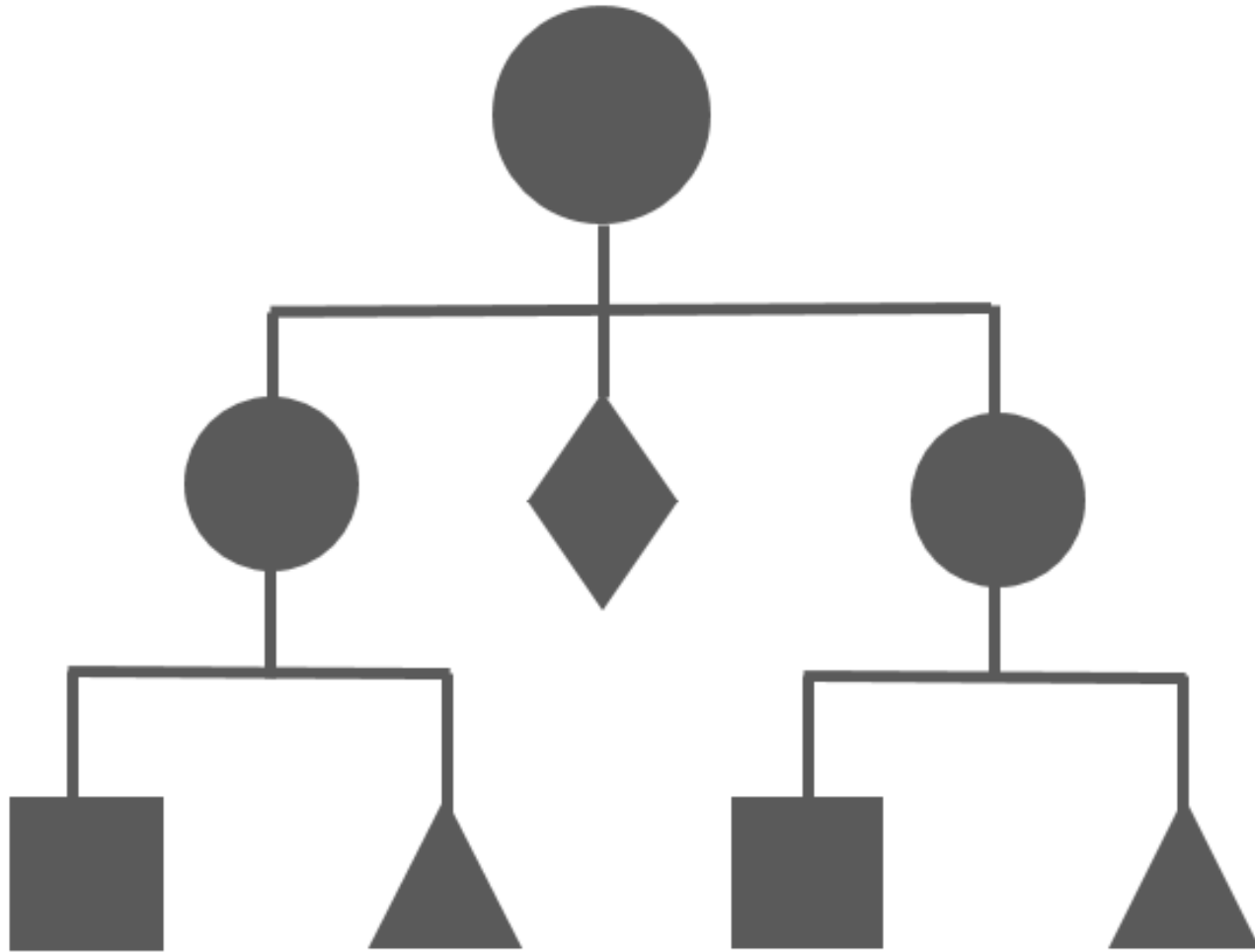


REDUCED Risk.
ACCELERATED GROWTH.

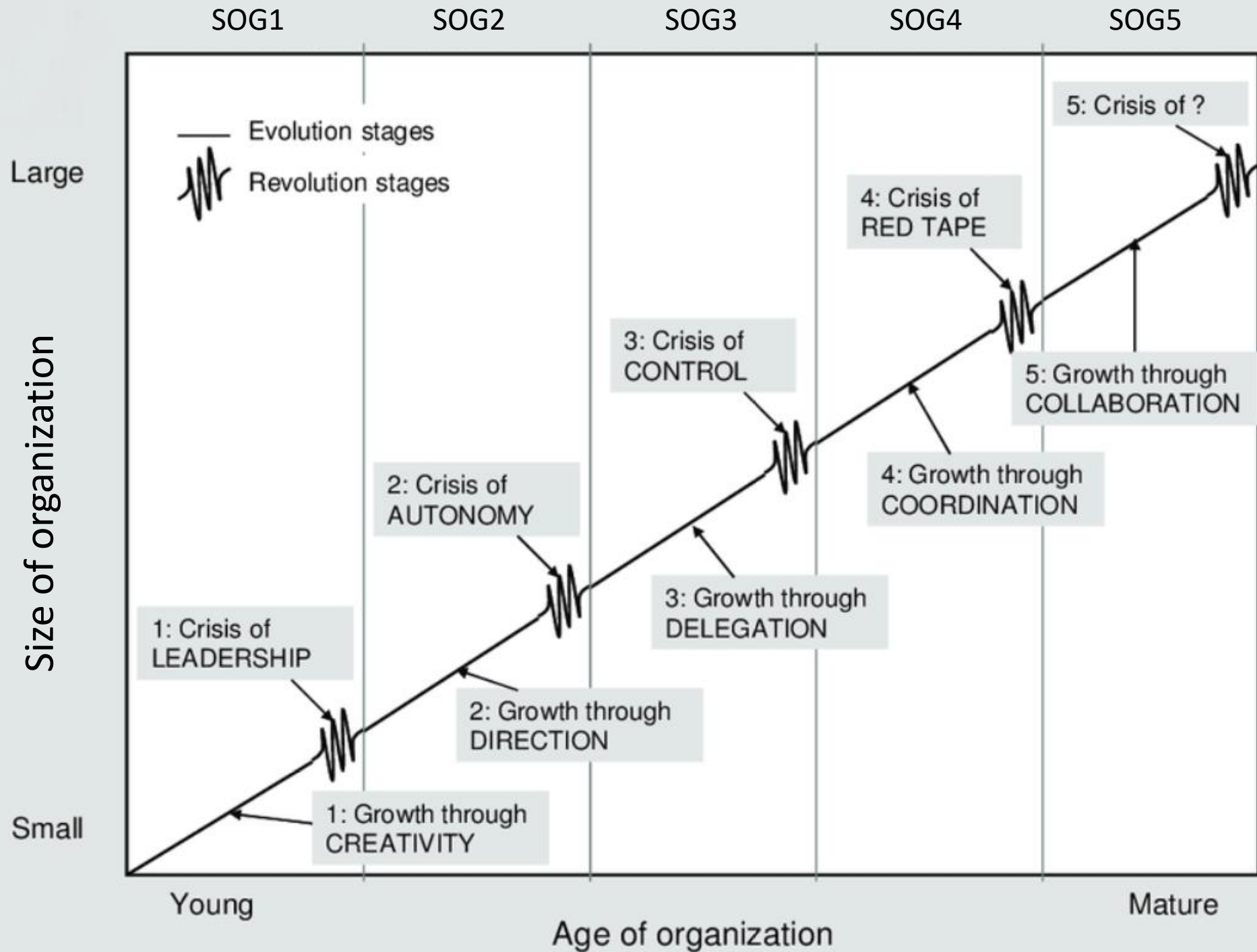
- Potential saturation of market
- Lack of agility and speed to market
- Balancing stability with flexibility



CHALLENGES

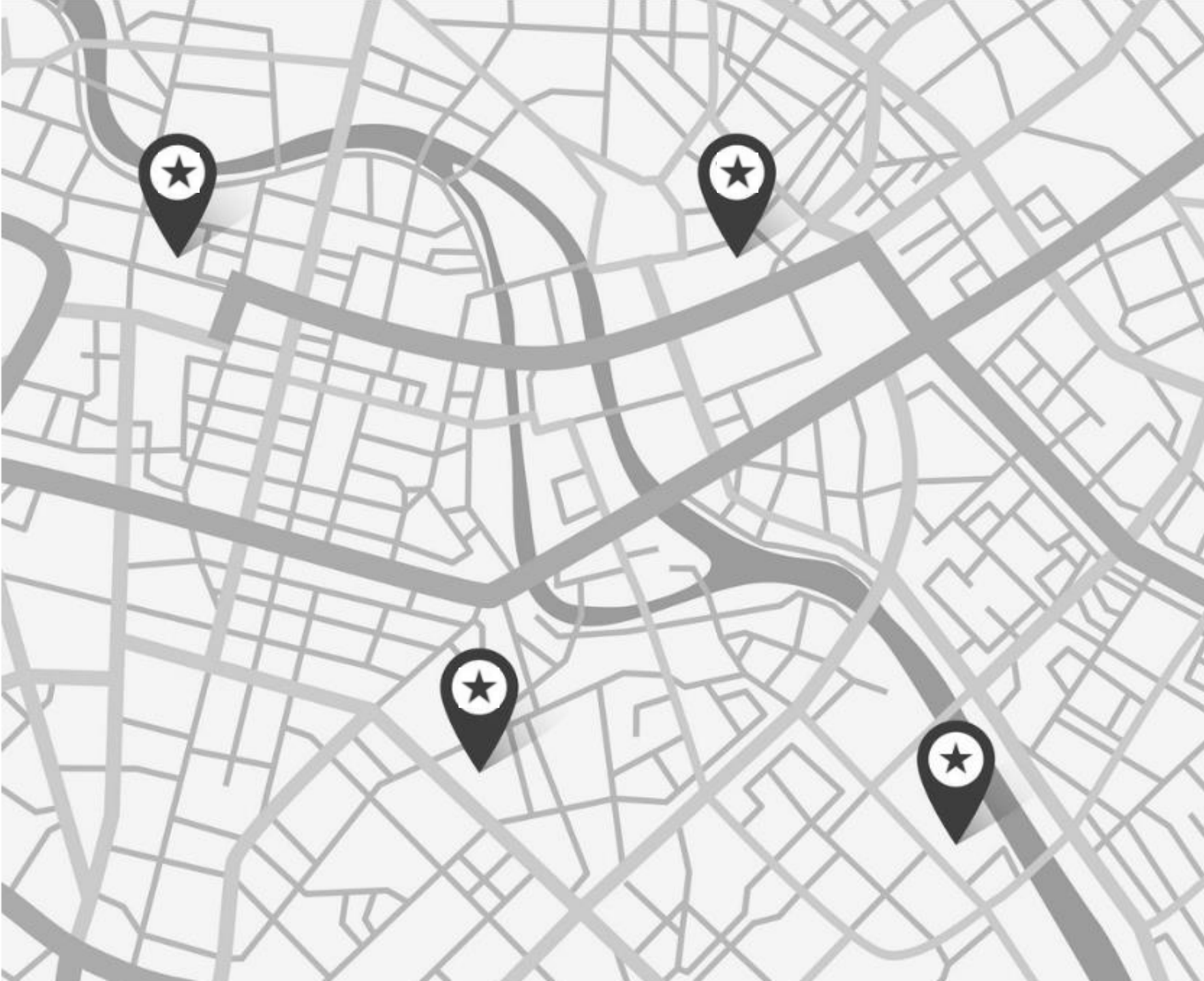


CORPORATE MAY
BE HAVING
difficulty shifting
from 'top down'
to side-by-side
(divisional)



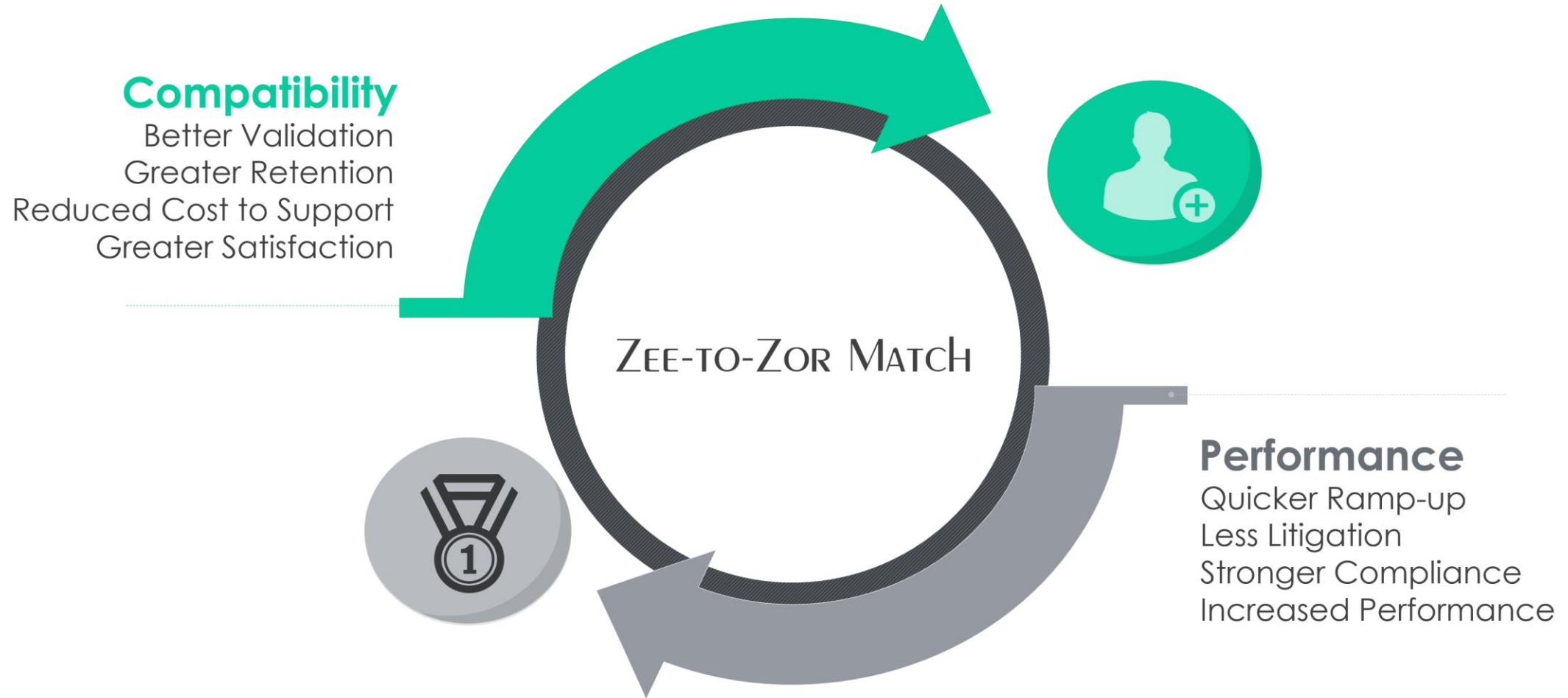
GROWTH THROUGH: Collaboration

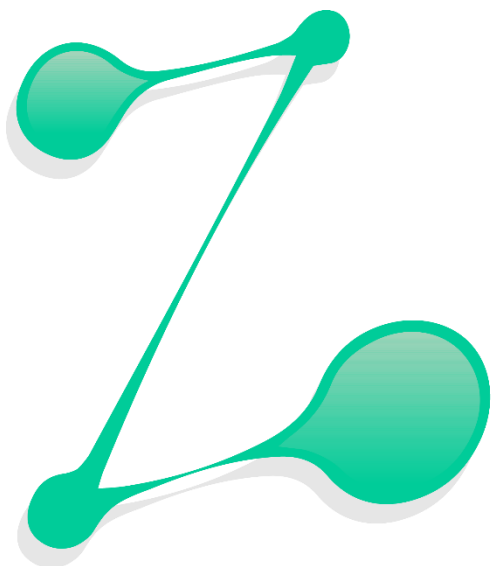




Crisis of:
SATURATION?

ZORAKLE Profiles Model





ZORAKLE Profiles

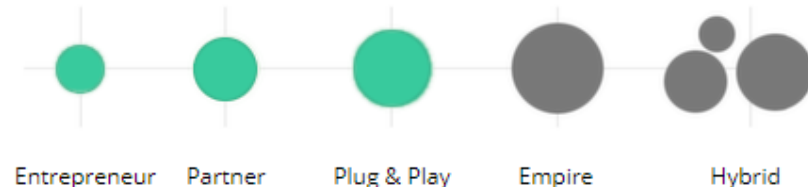
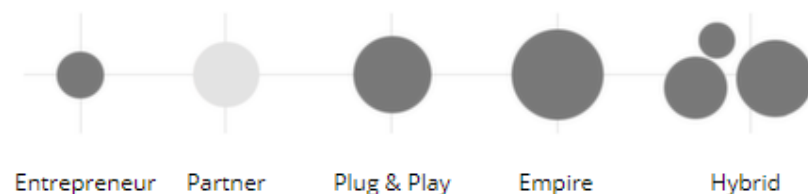
Smart. Scientific. SpotOn!

STAGES of GROWTH

Why is it important?

Stages of Growth are determined by a company's managerial style, organizational structure, formal systems, major strategic goals and founder/owner involvement. As a franchise organization grows, the systems and procedures will adapt to support an evolving business model, the needs of the franchisees and to satisfy end-user demands. Within each stage of business a franchisee's skills and goals need to complement a franchisor's plans and market expansion strategies. A franchisee that is in-step with your franchise organization's Stage of Growth will prove more compatible and likely perform better.

100%
Fit



Target

Kolache Factory is a Stage 2 Partner system. You're growing and your value proposition and product mix are becoming more clearly defined. You've tested your systems and made adjustments. Your franchisees have offered their best practices. You have great communication between corporate and franchisees. You're stabilizing and have gained market share. You are focused on systematizing and replicating. Candidates with a Stage 2 or 3 score will fit well within your organization.

Ankita

Scores indicate Ankita fits well within a Stage 1 Entrepreneur, Stage 2 Partner or Stage 3 Plug & Play business. She is able to start something from scratch, create and share best practices and evolve with a franchise system. She is likely looking for a first to market opportunity, flexible and generous terms and a say in future

Mismatch