



TIPS FOR

GROWING YOUR FRANCHISE AND BUILDING A BRAND THAT LASTS

By The RevLocal Brand Networks Team

HOW TO GROW YOUR FRANCHISE

This guide offers a brief introduction into some of the most important actions you can take that will help you build a successful franchise system.

It takes a lot of effort to run a successful franchise system, but this guide will help you work through the big and small things you can do each day to grow your franchise and create a brand that people love.

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IMPROVE COMMUNICATIONS & BUILD FRANCHISEE TRUST

Trust is the foundation of all successful relationships. It takes time and hard work, but it's worth it in the end. Trust starts with open and honest communication between you and franchisees. Here are a few tips to help jumpstart your relationship building.

COMMUNICATE OPENLY AND HONESTLY

Open communication is vital to running a successful franchise system and building positive relationships with your franchisees.

Consider the position of your franchisees. They have bought into your business model, likely paying tens to hundreds of thousands of dollars to become a part of your brand. On top of that, most are paying a monthly royalty fee.

And yes, this is the cost of doing business. Your franchisees wouldn't invest in your brand if they didn't think you were offering a fair arrangement, but it can also create a stressful situation. With any financial investment, there is a pressure to yield results – no matter how calculated it may be.

At the end of the day, your franchisees want to feel supported. As simple as it may sound, one of the best ways you can do this is with proactive, consistent communication.

Make sure to be a good listener, too. Healthy communication is a two-way street. Let your franchisees voice opinions, concerns and ideas.

With your focus on growing the brand, it's easy to miss opportunities that your franchisees will see from working directly with consumers every day. Listen to them and not only will they feel heard, but you'll see brand growth as well. **Here are a few ways to do this:**

1. Do your best to make yourself available to your franchisees whenever they call.
2. Institute an open-door policy. Make sure your franchisees know they can come to you when they need help.
3. Set up a dedicated franchisee support line (with a real person at the other end). This is a great way to provide immediate information.
4. Establish a known standard response time for franchisee questions (we suggest the same business day if you can).
5. Actively call on your franchisees to check-in and see how else you can support them (daily or weekly). No matter the size of your network, this is an important practice to start. This will help demonstrate accountability and leadership.
6. Appoint a single person as your communications manager. This will help establish a consistent tone and accurate information dissemination.

Entrepreneur Magazine

MAKE COMMUNICATION OFFICIAL: START A FAC

A Franchise Advisory Council, or FAC, is a committee of appointed or elected franchisee representatives who provide you with input and insight on how to improve the system. Most successful franchise systems have an active advisory council. If you don't have a FAC already in place, we suggest setting one up as soon as possible.

FRANCHISOR DUTIES TO THE FAC

- Consider all ideas with an open mind
- Encourage the FAC to strive for creative solutions to system issues
- Accommodate reasonable FAC requests
- Recognize that franchisees have provided many systems with valuable ideas for innovation

International Franchise Association

The role of the FAC is to provide an open dialogue between the franchisor and its franchisees. FAC members should consider themselves as a representative body of the entire franchise system and consider the issues that would have substantial impacts on many of their fellow franchisees. To effectively serve in this function, FAC members should be organized, focused and well-connected to other franchisees.

It's typical for a FAC to convene two to four times per year discussing topics such as marketing strategy, new products or services, industry developments, consumer behavior trends, organization operational challenges and new growth ideas.

HOST ANNUAL CONVENTIONS

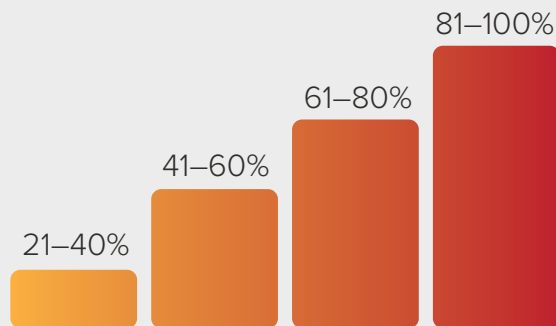
If executed properly, a yearly franchise convention offers you an extremely powerful communication vehicle to excite and motivate your franchisees while generating increased productivity, profitability and purpose following your event.

So, how do you organize a successful franchise convention? We suggest starting here:

FOCUS ON ATTENDANCE RATES

You can't run a successful event if no one shows up. Your goal should be at least an 80 percent attendance rate regardless of your size. Promote your convention as a must attend/can't miss event and leverage your FAC to help endorse this messaging regionally.

WHAT PERCENT OF YOUR FRANCHISEES
TYPICALLY ATTEND YOUR CONVENTION?



Ingage Consulting and Franchisee Business Review survey of nearly 200 franchisors

CONSIDER DESTINATIONS & LOGISTICS

Make sure to plan your event well in advance (at least 6 months but aim for 12). You also need to consider your organization's sales cycle when choosing a time of year. You don't want your event to hurt profitability.

Also, try to choose a desirable location that's easy to access. Franchisees should look forward to attending. And while it may seem trendy, nobody is going to sign up for two connecting flights followed by a 3-hour drive to a remote ski lodge. You're not going to please everyone, but you can do your best to meet in the middle. We recommend narrowing down times and locations with your FAC.

INVEST IN THE DETAILS

The difference between good and great is in the details. To execute a great annual convention, you need to consider all the pieces that help complete the puzzle. This means you may need to invest in additional resources to help you out.

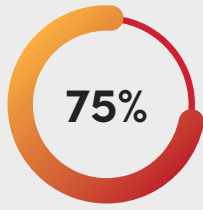
Here are a few disciplines to consider:

A. BRANDING & DESIGN

If your organization doesn't have internal resources available, consider investing in an agency to help you design branded convention collateral. This includes everything from registration forms, hotel welcome letters, agendas, training materials and digital presentation collateral. How does each piece of collateral complement the next?

B. EVENT PLANNING

If you've ever been part of planning a wedding, you know the amount of detailed coordination it takes to pull off a complex operation. This is no different. Often, your venue will offer event planning as an additional service. If this isn't the case, appoint someone internally or seek out a third-party to help you plan and handle the actual event execution including facility logistics, AV requirements, catering and entertainment.



75% of franchisors surveyed say their annual convention is between 2-3 days in length.

Ingage Consulting and Franchisee Business Review survey of nearly 200 franchisors

C. GENERATE A BUZZ

No, we don't mean to serve drinks – although you could if you wanted to – but instead you should focus on giving your franchisees a reason to get excited. Consider discussing the new product or technology you're testing out. You can also bring in guest speakers to help educate and entertain.

D. GIVE PRAISE

This may be the most important piece of advice we can give you. Make it a point to give praise to your franchisees for all their hard work and sacrifice. It may seem like a simple gesture, but giving appreciation is one of the best ways to build loyalty. And don't just use general platitudes. Try to share specific examples or stories that made you thankful for what your franchisees have done.

INVEST IN LOCALIZED MARKETING STRATEGIES

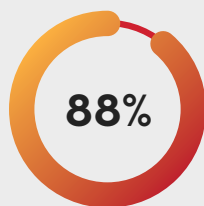
While it's natural to want to focus on creating national marketing campaigns for your brand (and you still can), it's smart to also to invest in localized marketing strategies. The easiest way to increase local unit revenue is to make sure your franchisees are being found in local search results.

It's no secret that the first thing consumers do is pick up their phone and open the Google app when they have an intent to buy. According to Search Engine Land, a staggering 80 percent of local searches on mobile devices turned into consumer purchases. If consumers can't find your locations online, you're missing out on a significant portion of potential revenue.

So, how do you start optimizing your locations for local search? Here are a few practices that we use to help your franchisees with their local search marketing:

CLEAN UP ROGUE DATA

Audit your individual locations to make sure your business information is consistent and accurate across all digital listings. We find that information like the business name, address, telephone number and even store hours are often inconsistent.



88% of consumer local business searches on a mobile device either call or visit the business within 24 hours.

CENTRALIZE YOUR MARKETING ANALYTICS

As a franchisor, you should have a list of marketing KPIs as well as a general awareness of how your locations are performing. With a centralized reporting dashboard, you have a brand level view and the ability to drilldown to compare the location performance and spot trends.

LOCALIZED MARKETING STRATEGIES

No two markets are identical. Factors like seasonality, industry competition, population demographics and available technologies can all impact consumer behavior. To this point, try to create a culture of trial and error when it comes to localized marketing strategies. Provide your franchisees with the freedom to test out new ideas.

CONTROL YOUR ONLINE REPUTATION

You've worked hard to build a great brand that you and your franchisees believe in. Unfortunately, all it takes is a handful of negative experiences to sway consumer sentiment and damage your brand's online reputation. Negative reviews are unavoidable, but you should know why they're happening. This will help you address specific cases and make improvements to your franchise's customer relations procedures.

HOW STAR RATINGS IMPACT CUSTOMER DECISIONS



42% won't purchase from a business with fewer than three stars.



37% want to see a four-star rating before using a business.



8% won't use a business if it doesn't have a five-star rating.

RevLocal Marketing Research

BUILD A CONSISTENT BRAND

What would your customers say if you asked them to briefly describe your brand? What are some of the characteristics and feelings they would associate with it? Depending on their individual experiences, your customers may have some very different thoughts. This is why it's so important to focus on creating brand consistency.

When you think of the most iconic brands in today's marketplace, heavyweight names like Starbucks and Apple will likely come to mind, but why is this? Yes, they both make great products that consumers desire, but in truth it has a lot more to do with building consistent brands and experiences.

Starbucks places an incredible emphasis on repeatable customer experiences. No matter which Starbucks you walk into, you will be greeted by the same sights, sounds, aromas and menu that you're accustomed to. You can order a Triple, Venti, Half Sweet, Non-Fat, Caramel Macchiato in New York or L.A. and it should taste the same.

The idea is the same for Apple, which focuses on the customer experience ecosystem. It wants every consumer touchpoint (products, website, ads, app store and retail store) to create a consistent Apple experience. Apple has done such an outstanding job of this that consumers proudly identify themselves as "an Apple person."

As a franchisor, it's your responsibility to build a consistent identity, especially when considering your franchise's digital presence. For starters, you need to provide your franchisees with brand guidelines to adhere to. Take a look at some examples of the content usage rules that you'll find in our brand guide book.

1. MISSION STATEMENT

Your brand’s vision and values.

We help businesses maximize their online presence with a personalized approach to digital marketing.

2. PERSONALITY

How your brand should talk about itself.



“This word”
“This word”



“This word”
“This word”

3. LOGOS

Approved logos and rules for how they should be properly used.



4. COLOR PALETTE

Primary and secondary colors and how they should be used for digital and print.



#CF1F2E



#222222



#77777A



#ECECEC

5. TYPOGRAPHY

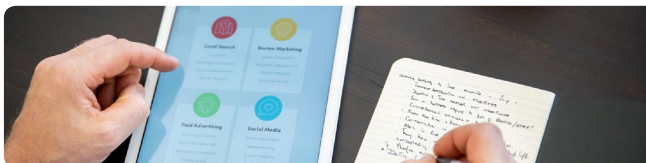
Specific typefaces and how each should be used properly.

Proxima Nova Light
AaBbCc 123 !?\${}&

Sofia Pro Bold
AaBbCc 123 !?\${}&

6. IMAGE STYLE

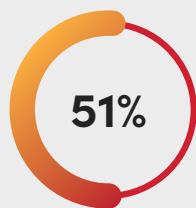
Examples of how images and graphics work with your brand.



However, it's not enough to create a brand identity and release it into the wild. You need to educate your franchisees on the importance of brand compliance and creating consistent, repeatable customer experiences. Your brand is built from the bottom up just as much as it's built from the top down through individual customer experiences.

When evaluating the consistency of your brand, you should consider all the consumer interactions that exist online and offline. Here are a few questions to ask yourself:

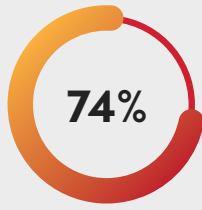
- Is your online presence consistent from location to location?
Are your secondary digital listings (Google, Facebook, Yelp, etc.) accurate and optimized?
- Are key brand elements consistent in form and function across all marketing channels and materials?



After one negative experience, 51% of customers will never do business with that company again.

NewVoiceMedia.com

- How are your franchisees utilizing social media platforms? Is there a high variance in voice strategy and engagement between locations?
- How are your franchisees utilizing websites? Are they leveraging location pages on your corporate site or are they tasked with creating their own?
- How repeatable is the path to purchase? If a consumer fills out an online form, what happens next? Do they receive an autoresponder email? How quickly are they contacted?



74% of people are likely to switch brands if they find the purchasing process too difficult.

SalesForce

- What sort of digital marketing strategies are your franchisees using? Are certain ones more effective than others?
- How consistent is your customer service? Do you record and evaluate call performance to improve customer service? How do individual locations handle negative online reviews?
- Is there a wide variance in the quality of your products or services between locations?
- Is there a wide variance in the customer retention between locations?

This list could go on and on, but you get the point. Getting your franchisees to understand the importance of brand consistency is essential for sustainable growth because it significantly improves the overall value of the brand.

WORKING WITH AGENCIES AND PREFERRED PARTNERS

Every franchise system will approach marketing differently depending on its industry, sales cycle, organizational model, etc. You need to do what's best for you and your franchisees, but it's important to consider the potential benefits of working with an agency that knows your franchise.

As a franchisor, you have every right to dictate how your franchise system will handle marketing and advertising. There's a lot to think about when deciding how your approach to franchise marketing. Start by asking yourself these questions:

- Will you allow franchisees to handle localized marketing strategies entirely on their own?
- Will you limit agency involvement to a list of vetted, preferred partners?
- What capabilities must an agency offer to effectively market your franchise locations?
- Will your franchisees allocate a percentage of their revenue into a collective market fund?
- Will you offer any internal marketing resources that can be utilized?
- Is there a wide variance in marketing strategy between locations due to seasonality or demographics?
- How much time, money and energy do your franchisees want to put towards marketing?

As an agency that works with many franchise systems, we don't want to steer you in one direction over the other. Every situation is different, and you need to do what provides the greatest value to your franchisees.

So, how do you evaluate your marketing needs? First, we recommend that you create a comprehensive list of digital marketing capabilities that your franchisees need to be successful. Make sure to get input from your advisory council.

Second, decide whether you want to make marketing a corporate responsibility or if you'd prefer for franchisees to utilize localized marketing strategies (or a combination of the two). Additionally, you need to consider who is responsible for this cost.

It's our recommendation to offer your franchisees a list of vetted and approved preferred marketing partners. When evaluating marketing agency partners, consider factors like service capabilities, pricing, plan types (contracts), location and size.

By providing your franchisees a list of preferred partners, you will have more control over brand compliance without losing the benefits of localized marketing strategies.

Depending on the size of your franchise system, a pilot program is a great way to vet potential agency partners! Before you start, work with the agency to framework the program parameters and have an agreed upon set of success metrics. This will give an agency the opportunity to prove its worth without any long-term financial obligations.

WANT TO LEARN MORE?

We hope you found this guide useful! If you have specific questions about digital marketing strategies for your franchise or want to learn more about the solutions we provide, don't hesitate to give us a call or visit us online at www.RevLocal.com. We provide free marketing consultations and are here as a resource if you need anything!

Thanks,
The RevLocal Team



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