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his issue is dedicated to franchises in the service industry. It's a timely issue as this segment of the franchise industry has seen the greatest growth over the past few years. Service franchises are often referred to as "micro-franchises" on account of their ease of entry and set up. There are many features and benefits of this new breed and in my opinion; they are a very welcome addition to the franchise offerings currently available to prospects of all kinds.

What makes a service franchise so much more accessible than other product based concepts is that generally there is a much lesser initial investment that has to be made. Primarily this is due to the fact that a home office will generally suffice, and the equipment package consists of a computer, fax and other business supplies. Insofar as operations are concerned, you may need a vehicle depending on the service, but the largest part of the investment is likely in inventory. This is ideal as inventory turns into working capital and is recouped quickly from operations. This lesser investment then opens up the whole franchise industry to a new category of prospects that have never been able to participate because of the lesser funds they have available to invest. As an offshoot, most of these franchises do not require a labour pool either but are run by the franchisee and perhaps one significant other. These two factors alone make it very attractive to own one as the overhead costs are substantially reduced. Furthermore, the lack of staff makes the business easier to run in general and requires less managerial skills on behalf of the franchisee.

Another plus offered by service franchises is that they generally provide quite good quality of life. Many are business to business so they operate during regular business hours. In any case, the franchisee has much more flexibility in scheduling of his time than in a retail concept where the hours of business are set by a landlord. This autonomy is great if you are self-motivated and disciplined. As well, because the nature and scope of the operation is more restricted in its offerings, they are easier to run on a day to day basis and from a franchisor's perspective, easier to monitor and control. This is franchising in its simplest form—a business in a box. A feature that is very important to prospects is the speed at which these businesses become operational. Once the initial fee is paid, training rapidly follows suit and since there is no site selection in most cases, the franchisee can be in business within 30-60 days. This is crucial for both personal and corporate cash flow. Insofar as experience is concerned, unless it is a regulated or licensed industry, such as brokering or accounting for example, the training you get from the franchisor is all you need. If it is a professional service ongoing training should be included as part of the services you receive from the franchisor as well as all software or materials updates you may need.

Service franchises abound. There are as many types and styles as there are prospects. I advise all my clients, no matter what they purchase, to make a quality of life decision first. Select an industry that you truly enjoy and have a passion for. For any franchise to be a success the franchisee has to

be working in and dedicated to it. Then, look at your financial capacity. It may not be expensive to purchase the franchise, but you have to examine the initial and ongoing working capital requirements as well. Some services get paid right away while others, especially those that involve complicated processes or projects may not. The choices are endless and many of them can be found at the back of this magazine or in the Canadian Business Franchise Handbook available in better bookstores. (Blair??? can I say this???)

Business to Business franchises are ideal for professionals of all levels looking for quality of life. They allow you the ability to maintain the professional nature of your career but in a much more self-controlled manner. It required self-discipline however to get up and go to work every morning when you are your own boss. The reward of the ability to schedule your time is immeasurable and the ability to be financially successful is not at odds with having quality of life. Several systems operate on a very simple level for those who prefer a more structured relationship whereby the franchisor does all of the back office work for the franchisee, sometimes even including all the financial statements! Service industries are more tailored and specific, allowing each prospect to find a better “fit”, and good “fit” is the ultimate goal. Regardless of what you choose any service business is a “people” business so if you are not a people person, this is not a good choice for you. The success of these businesses depends mainly on customer relations and long term relationships. This is because services are competitive and you would otherwise have to compete solely on price. It's the service of the service that sets the business apart even when your prices are a little higher, as long as they are still competitive.

My industry picks; seniors and home care, (the largest segment of the population is 50+), online businesses, quality home meal replacement, health, wellness and beauty. Today everything is about ease, convenience, quality of life, and looking great, but without compromising value. Think of any function you perform and I guarantee you, for a fee, someone will do it for you!