



The Fear Factor of Buying a Franchise

Don't let fear stop you from reaching your goals!

Why do people go through the whole process of looking for and finding a great franchise opportunity and then back out at the last minute? The answer is “fear” and it is the one factor most likely to prevent a potential franchise buyer from moving ahead with a franchise purchase.

Buying a franchise is one of the biggest decisions you will ever make so feeling fear is not only normal, it is entirely appropriate to the situation. The only problem with fear is when you allow it to stop you from doing something you know will make a positive difference in your life.

Who has fear? Everyone! Fear prevents us (most of us, anyway) from jumping out of a moving car or going over a waterfall in a barrel. Fear helps us make choices that are less likely to endanger our lives. Fear also prevents us from gambling our life's savings on a horse race or marrying someone we've known only a few days.

However, when we feel we have enough information about a subject, we can often get over fear and do things that are beyond our comfort zone; hence the reason some people sky dive or bungee jump.

According to Susan Jeffers, author of *Feel the Fear and Do It Anyway*, when fear or anxiety crop up during the decision making process, you need to ask yourself if the feelings are caused by 1) fear that you can't handle the new situation or 2) doubts because you don't feel you have enough information. The second answer is easier to deal with. If you have doubts about a course of action you want to take, make a list of all questions you have and then find the answers. If, however, you are dealing with internal fears, you will need to come up with an internal solution.

Here are some examples gathered from people who have gone through the franchise purchasing process – both as a franchise buyer and as a consultant helping others select franchise businesses to buy:

After working as a consultant with franchise candidates for years and spending countless hours helping them get over their fear of buying a franchise, JA and her husband bought their own franchise several months ago. “I managed to get through the franchise research and purchasing process with a minimum of anxiety,” JA says. “However, now that we are getting close to opening the business, I find I wake up in the middle of the night wondering if I've done the right thing.

“With my candidates, I find that fear can occur at any time during the process and I expect it to happen. I will tell my candidates up front that if they don't feel fear and anxiety at some point, then I will worry about them because fear is normal.

“The number one fear is about money. Most of the people I work with have been in the corporate world for 20 to 30 years and, while dissatisfied with their current status quo, they still have a certain comfort level that they are not

anxious to give up. They can predict their future in their current position but owning a franchise, while potentially more beneficial, still falls into the category of the ‘unknown.’”

One solid piece of advice from JA to potential franchise buyers is that when they feel fear, the first thing they need to ask themselves is what information do they need in order to feel comfortable and then to ask those questions of the franchisor. If the answers are satisfactory, the candidate should accept the fear as something that will go away and move ahead with the purchase.

There are times when just having the facts are just not enough. What happens when the franchisor has answered all of your questions but you still can't calm that little voice of doom inside your head?

JS, who has owned several franchise concepts, has two suggestions for anyone looking to buy a franchise. First, he recommends they do a lot of reading about marketing so that they will develop a sense of what it takes to be successful.

“I think a key to moving beyond fear is to project yourself into the franchisee role by thinking about sites, managers, staffing and marketing. If you do your homework and feel confident you can kick start your business, fear will soon be replaced by excitement.”

Second, JS also suggests that people make a minimum of ten validation calls to existing franchises. This helps them understand all the possible land mines in the process and will also allow them to connect with franchisees they may be able to use as role models and mentors.

“Because I've purchased franchises myself, I understand how big an issue fear can be. But if an individual does their homework and is willing to put in the time and effort to give the business a great start, the fear will go away. Then the question won't be, 'Will I fail?' but, 'In what month will this business be successful and what can I do to make this happen sooner?’”

Experienced fear manager, MS has been buying and selling businesses since 1983 and after dozens of purchases he still has anxiety with each decision.

“I got to the point where I named the little green man sitting on my shoulder ‘Louie’ so that when he started to tell me I was making a terrible mistake, I could remember that it was Louie's job to question my decisions but I didn't have to listen to him.

“When I talk to people about researching a franchise, I let them know that not only will they feel fear at some point but that it can manifest itself in a number of different ways. One common way people deal with fear is to make no decision at all. By not making a decision, they avoid dealing with the fear but also may lose out on a chance to really make the life change they've been wanting.

“Preparing yourself to be ready for fear to rear its head is an important part of the investigation process. Individuals need to ask themselves if they are prepared to make a decision if their logic tells them it is the right decision — even if their ‘Louie’ is telling them to wait and think about it some more.”

When dealing with fear it is imperative to remember that the decision making process is not fool-proof.

Sometimes we become focused on making the “right” decision or we fear making the “wrong” decision when there really is no such thing.

You can make your validation calls and write your lists and ask your questions but making the final decision still requires a leap of faith.

Hedging Your Bets

One of the reasons people chose buying a franchise to make their foray into the world of business ownership is most likely because they understand that a franchise provides many important benefits it would take them, as an independent business owner, months or years to develop, such as a proven operations system, recognizable brand name and marketing expertise. They've already improved their odds of success as a business owner by

acknowledging these benefits and deciding to work within a supportive system.

If you are one of those people who has done your homework and found the franchise opportunity you've always dreamed of but can't seem to commit to a decision, then the final doubts you have are probably about your own abilities rather than the franchise itself.

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