

Importance of a Structured Sales Process in a Tight Economy

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Know Who Your Target Prospect Is!

- Set Financial Requirements
 - Net Worth Minimum
 - Liquid Capital Minimum

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Know Who Your Target Prospect Is!

- Personality Traits
 - Introvert?
 - Extrovert?
 - Business Builder?
 - Manager?

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Know Who Your Target Prospect Is!

- Skill Sets/Strengths
 - Sales/Marketing?
 - How will new business be generated? Does the prospect have the skill set to be successful? Can this be hired/delegated?

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Know Who Your Target Prospect Is!

- Skill Sets/Strengths (cont'd.)
 - Management?
 - Has the prospect managed people before?
 - If so, what type? Professionals? Some skill? Unskilled?

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Know Who Your Target Prospect Is!

- Skill Sets/Strengths (cont'd.)
 - Customer Service/People Skills?
 - Is the prospect an extrovert? Introvert?
 - Comfortable going to customer?
 - Prefer customer comes to them?

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Know Who Your Target Prospect Is!

- Skill Sets/Strengths (cont'd.)
 - Any other criteria for YOUR specific franchise?
 - Industry Experience?
 - Bi-lingual?
 - Cold call sales skills?
 - Something else?

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Initial/Intro Call with Prospect

- **Schedule initial call with prospect allowing 30-45 minutes for general overview of franchise...AND of process**
- **Get spouse/partner involved from the beginning if possible—Don't be afraid to REQUIRE this!**

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Initial/Intro Call with Prospect

- **CRITICAL STEP:**
 - Establish “Up Front Contract” with prospect
 - Outline exactly what the complete process involves, how often you will talk, what you will cover in each conversation, and when/how it will end (decision time)
 - **SET EXPECTATIONS upfront** so you can easily see if/when they start to fall off track

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Initial/Intro Call with Prospect

- **From Broker's Perspective:**
 - We counsel our clients that not only are they validating the Franchisor, but the Franchisor is also validating them!
 - They will be judged by their actions—missed phone calls, unprepared for calls, etc.
 - Would this Franchisor really want you in their system based on your actions throughout the process?

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Martin Amschler

Vice President/Officer of Franchise
RadioShack Corporation

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• Presentation Points:

- Overcoming less than positive franchisee validations
- Keeping the candidate on a definitive "closing" timeline

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Overcoming Less than Positive Franchisee Validations

- Start by educating your current franchise base
 - Explain the concept "power in numbers"
 - Additional leverage with supply channel which equates to lower costs and higher margins
 - Communicate, communicate, communicate (even the bad news)
 - Build programs that deliver high value and address issues that have arisen due to current economic situation
 - Does your organization have an organized FAC (Franchise Advisory Council)
- Control the process
 - Encourage candidate to call franchisees
 - When you take this approach, the candidate feels you are being completely honest and open
 - We can't lead the candidate to whom they speak or interface with, but certainly make the candidate aware of your (FAC), as they are informed and participate in all programs
 - Take control
 - Request list of franchisees from candidate whom they would like to speak with
 - Set the time for the call
 - Utilize a conference call service that allows the franchisor to exit the call once the candidate and franchisee are on line

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Overcoming Less than Positive Franchisee Validations (cont.)

- Explain to the candidate they should qualify the franchisee
 - A poor validation from a non-participating franchisee is unacceptable and easily explained
 - Don't worry, a poor validation from an informed franchisee is acceptable and quite honestly easier to deal with
- Follow up
 - Follow up after each call or follow up after the candidates have spoken to all franchisees, whichever the franchisee feels comfortable with
 - Overcome objections that are in your "swing zone"
 - If you don't have the answer, get the answer from the person who has the answer in your organization
 - When appropriate, schedule a call with the "government" (your senior level executives) and your candidate
 - Start at the top and work your way down
 - Their success depends on your success
 - In today's economic climate it's all hands on deck

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Importance of a Structured Sales Process in a Tight Economy

- **Keeping the Candidate on a Definitive "Closing" Timeline**
 - Schedule a timetable for every aspect of the selling process. Take control.
 - Follow up call to verify interest, business and financial acumen
 - Follow up call after candidate is validated
 - Delivery of the FDD
 - Receipt of AOR
 - Discussion of FDD
 - Franchisee validation
 - Additional discussions with various experts within your department
 - Discovery Day (mandatory)
 - Execution date of agreement
 - This date should be scheduled upfront based upon your individual organization's ability to execute all the necessary details in the process
 - The day the candidate executes their agreement is one of the most significant days in their lives, so celebrate
 - Consider revisions to the agreement where it makes practical sense for both parties to keep the time flow moving towards closing
 - Consider an LOI on more significant agreements, an LOI with a deposit that is partially non-refundable

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Tom Wood

President and CEO
Floor Coverings International

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The Sales Process

- Don't succumb to the pressure to abandon the process that works

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What is your definition of selling?

- To persuade or induce to buy

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A Simple Sales Process that works!

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Franchise Sales... How is a great process put together?

- Learn what the typical prospect will experience
- What are the things each prospect will have to do/see/feel that will be the same from buyer to buyer
- Categorized these common themes and build them into your "process" so that YOU drive the buyers learning

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Identify the target buyers

- Your buyers usually have similar traits - what are they?
- What are the needs, wants, desires of the people that will buy your franchise?
- How do you use this information?

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Combine these, and you have your process

- Prospecting
- Presenting
- Meeting
- Discovery Day
- Closing Process

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The Real World

- Things that happen that influence you to change your process – or abandon it
 - You're running out of time
 - Your candidate doesn't want to follow your process – they have something else in mind
 - An "outsider" wants you to do something different

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Don't...

- YOU know how to SELL a franchise
- YOU know how to BUY a franchise
- YOU know how to represent the BUYER and the FRANCHISOR
- The other parties DON'T

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The two MOST important Items

- The time to build relationship and rapport
- The time to make sure that they understand the business and how they will fit into it

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QUESTIONS AND ANSWERS

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Tom Wood

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